

(Continued on Page 2; Col. 3)

The weather at major Swissair destinations

	5.11.86	MIN.	MAX.
AMSTERDAM	4	3	10
BRUSSELS	3	2	9
BUCHAREST	12	10	14
CHICAGO	5	4	6
COPENHAGEN	4	3	5
FRANKFURT	4	3	5
GENEVA	4	3	5
HELSINKI	1	0	2
HONG KONG	18	17	19
JOHANNESBURG	18	17	19
LEON	12	11	13
LONDON	10	9	11
MADRID	12	11	13
MONTREAL	2	1	3
NEW YORK	4	3	5
OSLO	2	1	3
PARIS	10	9	11
RIO DE JANEIRO	26	25	27
SAO PAULO	26	25	27
STOCKHOLM	4	3	5
TOKYO	15	14	16
TORONTO	1	0	2
VIENNA	1	0	2
ZURICH	4	3	5

*For the latest weather conditions contact Swissair.

THE WEATHER

Forecast: Partly cloudy.	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	70	10-20	20
Golan	60	10-19	21
Nahariya	65	14-24	24
Safed	77	10-17	19
Haifa Port	68	15-24	24
Tiberias	59	14-24	24
Nazareth	59	11-22	22
Afula	57	11-25	26
Sharon	45	11-22	22
Tel Aviv	59	16-23	24
B-G Airport	59	14-24	24
Jericho	46	15-26	27
Gaza	57	16-24	24
Beersheba	48	12-23	24
Eilat	29	18-30	30

SOCIAL & PERSONAL

The annual Balfour Dinner, sponsored by the Israel and British Commonwealth Association, will be held at the Daniel Towers Hotel in Herzliya tonight. All tickets have been sold.

Labour cites discrimination against its local councils

By AVI TEMKIN
Post Economic Reporter
The Treasury and the Interior Ministry discriminate against small local authorities headed by Labour Party members, the Alignment members of the Knesset Finance Committee charged yesterday.
They asked the committee not to approve a NIS 35 million aid package for small local authorities until the Treasury produces a list of those municipalities getting money and the criteria for distribution.
The NIS 35m. comes from larger municipalities that had accumulated surpluses due to high taxes.
The Labour Party faction in the committee claimed that there were intentions of giving local authorities headed by the Likud or religious parties more than would be due to them under objective criteria.

Two people die in falls

A 27-year-old woman died yesterday morning after falling from the Yachin building into the nearby Beit Sokolov park on Rehov Kaplan. Police and Magen David Adom workers arrived and declared her dead at the scene.
In Jerusalem later that afternoon, a 27-year-old man fell to his death from the eighth story of Hadassah Hospital in Ein Kerem. The man had a history of depression.

MK claims shooting at 'Arab' targets

Post Knesset Correspondent
Mapam MK Elazar Granot has charged that IDF recruits have been taught to shoot using targets showing Arab keffiyas (headscarves).
Granot raised the issue in a question put to Chief of General Staff Rav-Aluf Moshe Levy at a Foreign Affairs and Defence Committee meeting earlier this week.
The Mapam MK said the recruits had been given the order, "At Mohammed - fire!" The target practice had taken place at a training base for engineering Corps recruits, he said, and asked Levy whether he was aware of the fact and condoned it.
Levy said he could not believe Granot's charges, and would investigate them.
Granot also queried an order given to Ordnance Corps officer trainees to return to base on the Sabbath to attend Simhat Tora celebrations. Levy said: "It was a stupid order," but could not explain why it had been given.

Mubarak invited to Islamic parley

CAIRO (AP). - President Mubarak received an invitation to attend an Islamic summit conference in Kuwait next January, presidential officials said.
The summit is to be in Kuwait on January 26. Mubarak had said previously that he would attend if invited by the host country. It would be the first time in seven years that an Egyptian president has attended an Islamic summit.
Kuwait and Egypt have not had diplomatic relations since Kuwait broke with Cairo in 1979 to protest against the peace treaty with Israel.

HOME NEWS

Protesters flay leftists off to Romania

BEN-GURION AIRPORT (Itim).
The delegation of Israeli left-wingers who left for Romania yesterday with the intention of meeting representatives of the PLO dwindled to 29, due to delays caused by demonstrators.
The demonstrators included bearded relatives of Israelis killed in the recent post by PLO terrorists. They yelled "murderers" at the delegation members lined up at the El Al counters where Romania's national Tarom Airline passengers are processed. Police were called to

intervene, but the fracas delayed the departure of the Tarom plane.
Representatives of the Progressive List for Peace and of the Oriental Front dropped out of the group, claiming that it had been taken over by various parties for partisan interests.
Mapam has boycotted the project, but Mapam members Latif Dori and Simha Flapan, the former editor of *New Outlook*, left with the group as individuals.
Attorney Amnon Zichrony accompanied the group but said that

he was going not as a participant, but as a legal adviser to advise the members against breaking the law in their meetings with the PLO people.
The invitation to meet the PLO people in Romania has been turned into a test case for the law adopted last year which makes meeting with PLO representatives a criminal offense, unless authorized.
A handout by Shasi, the Israeli Socialist Left, said that "we consider the law a severe deviation from the rule of law as it is recognized in

Israel. We are convinced that the courts will evaluate this law in accordance with the unwritten constitution, which is based on individual civil rights, and which has been recognized as binding by the courts in the past."
AFP reported from Constanza that "27 members of the delegation of Israeli pacifists" arrived for their meetings with the PLO delegation, which included PLO executive members Mahmoud Abbas, Mohammed Milhem and Col. Abderazzak Yahya.

Wholesale Knesset condemnation of Bucharest trip

By DVORAH GETZLER

A stormy Knesset plenum yesterday overwhelmingly condemned the trip to Romania of a group of left-wing Israelis invited there to meet with PLO representatives.
But despite the broad measure of agreement, there was marked discord as the parties of the left attacked this summer's legislation barring such contact. There were also the rumblings of the first post-rotation coalition quarrel, when two Labour MKs broke discipline on the vote.
The first of several motions for the agenda on the subject was presented by Yossi Sarid (Citizens Rights Movement), who said that there was no hope of any peace overtures coming out of the Bucharest meeting. Thus, he said, there was no point in breaking the law against contact with terrorists.
Law, he continued, must be upheld at all times.

Only matters of life and death should be permitted to counterbalance that principle, and the Bucharest meeting would not provide the exception that proved the rule.
But the right, and particularly Tehiya's Geula Cohen, broke the laws of the state with impunity, he said. The attorney-general, he said, had termed Cohen and her colleagues "political criminals."
The law against contact with terrorist organizations was absurd, said Sarid, and he and his party would wage all-out war against it until it was removed from the statute book.
Replying to her attackers, Cohen listed the "desirable" forms of contact with the PLO: bringing to justice, and bombing their headquarters in Tunis and their bases in Lebanon.
"You, Yossi Sarid," she said, "you met Arafat in the most dangerous manner. Your opinions converge with his day by day."

Uzi Landau (Likud) said that the PLO hoped to use Israel's left wing as "the political and social Aids that will rot Israel from within. The Israeli delegation to Bucharest represents Aids in its latent form. The state must see to it that the disease does not spread."
It was Landau's motion for the agenda that produced the break in coalition discipline by Abdel Wahab Daroushe and Aharon Harel of Labour.
When the vote to refer the various motions to the Knesset's Law Committee was called, the Likud and Labour voted together until the turn of Landau's motion came, when Daroushe and Harel voted with the left opposition.
Ariel Weinstein (Likud) told *The Post*: "If we could vote for Sarid's motion, after all his tough words, they could have stomachached Uzi Landau. It's the first post-rotation quarrel."

U.S., Israel agreement on SDI research

Post Defence Reporter

TEL AVIV. - The Defence Ministry and the U.S. Pentagon yesterday signed an accord granting Israel some \$6 million to research anti-missile defence as part of Israel's participation in the Strategic Defence Initiative (SDI).
Israel is to receive \$2.5m. of the grant immediately. The agreement was signed in Tel Aviv by the deputy head of the Pentagon's SDI organization, Gordon Smith, and by Defence Ministry Director-General David Ivri. Last May, Israel became the first non-Nato state to join the SDI programme, and since then researchers here have been studying chemical lasers for SDI.

Sources in the Defence Ministry expressed disappointment over the size of yesterday's accord - \$6m. out of SDI's total budget of \$26 billion. The ministry hopes Israel's part in the research will increase, this would help firms like the Rafael weapons development authority and the Israel Aircraft Industries, which have been under great financial strain.
Yesterday's signing was facilitated by the defeat in the U.S. Senate two weeks ago of a bill meant to limit SDI spending outside the U.S.
Israel is particularly interested in anti-ballistic missiles' research because Syria has recently acquired SS21 missiles, which can reach any target in Israel. Research in this sphere, therefore, satisfies Israel's special needs while also suit SDI objectives.
The main beneficiary of the accord will be Rafael, but other research institutions will also participate.

Knesset panel backs expulsion order

By ELAINE FLETCHER and ASHER WALLFISH
Jerusalem Post Reporters

A military hearing on the expulsion order against A-Sha'ab editor Akram Haniye is to continue today in Nablus following the adjournment yesterday evening of the opening all-day session.
Meanwhile, a subcommittee of the Knesset Foreign Affairs and Defence Committee that oversees policy in the territories backed the decision to expel Haniye.
The subcommittee, composed of MKs from the coalition parties and one opposition member, MK Rafael Eitan (Tehiya), said that the expulsion issue should now be left to "due process."
Haniye's colleagues and supporters yesterday continued their campaign against the expulsion with a

demonstration in Jerusalem at Damascus Gate, telegrams to the prime minister and defence minister and an appeal to the Egyptian Journalists Association.
Dozens of students from West Bank and East Jerusalem universities and colleges also converged on the A-Sha'ab offices yesterday to express support for Haniye. The A-Sha'ab editor, 33, was arrested early Monday morning on charges of being a senior organizer of the PLO's political activities in the territories.
Haniye's attorney, Felicia Langer, yesterday expressed regrets that the Israeli Journalists Association had not joined the protest.
Langer said she would appeal to the High Court of Justice if the military did not revoke the expulsion order.

In the last seven years, two expulsion orders against West Bank residents were withdrawn or revoked, said security sources.
Former Nablus mayor Bassam Shakaa's expulsion order was overturned in 1979 on the recommendation of a military review committee. Alleged PLO activist Khalil Abu Zayyad's expulsion order was withdrawn after Zayyad agreed to leave the West Bank voluntarily on the condition that he be allowed to return after three years if he had no contacts with the PLO.
Meanwhile, military authorities extended the closure order on Bethlehem's Freres University for another week yesterday, said an IDF spokesman. The university was closed for a week last Thursday following student disturbances.



Some 30 members of the 'Committee against the Iron Fist' demonstrate yesterday outside Damascus Gate in Jerusalem to protest against the planned expulsion of Akram Haniye, editor of the East Jerusalem daily A-Sha'ab. (Dan Landau)

Nissim cancels old age tax scheme

Post Economic Reporter

Finance Minister Moshe Nissim has decided to scrap plans to tax old-age pensions paid by the National Insurance Institute, sources close to the minister said yesterday.
The sources said Nissim is convinced there is no chance of the tax being approved by the Knesset, and that because the expected revenue is less than NIS 4 million, the tax is not worth the storm it would arouse.
Treasury officials expressed anger over the silence on the tax on the part of Labour Minister Moshe Kat-

zav and NII Director-General Mordechai Zipori. The officials said the proposal to tax the pensions originated with the Labour Ministry and the NII as part of their effort to offset a 3.9 per cent budget cut decided on by the cabinet last September.
Both Katzav and Zipori preferred that the Treasury should draw the fire of public criticism, the officials said.
In a related development, the first shots in the battle over the Defence Ministry budget for the next fiscal year were fired yesterday when Prime Minister Shamir and Vice Pre-

mier Peres met with Defence Minister Rabin and Nissim.
The Treasury wants to slash the defence budget, while the Defence Ministry is seeking over \$200 million more than what it received last year or an increase of about 10 per cent.
Rabin, supported by Peres, told Nissim that after two consecutive years of budget slashing the army could not make further cuts. He added that additional funds are necessary for training and equipment. Shamir did not state his position on the issue.

(Continued from Page One)

IRAN

A Foreign Ministry official said the radio report was baseless. He refused to comment further.
The Speaker of the Iranian Parliament, Ali Akbar Rafsanjani, said Tuesday that McFarlane had visited Teheran recently but was expelled.
But Rafsanjani said his country would be willing to help secure the hostages' release in return for badly needed arms and spare parts and freedom for political prisoners in Israel and other parts of the world. He indicated in his speech that delivery of the weapons by the U.S. - and settlement of Iranian financial claims against France - would per-

sue Iran to let its "friends in Lebanon" know that it wanted the Western hostages released.
Nine Frenchmen and six or seven Americans are among more than 20 Westerners missing and believed kidnapped in Lebanon.
Rafsanjani said that some of the hostages were "related" to Islamic groups. He emphasised however that Iran did not have full control over those groups. (AP, Reuter)
In Paris, Prime Minister Jacques Chirac, told Parliament yesterday that France will not sever its di-

plomatic relations with Syria. Chirac said he has "no proof whatsoever that any foreign state had taken part in the recent terrorist attacks in France."
The Premier said in reply to a question by former Socialist Prime Minister Laurent Fabius that Syria plays a central role in Middle Eastern affairs and that France will not break off its ties without first having conclusive evidence directly implicating Damascus. He stressed that should such evidence be forthcoming "France will take all the necessary measures against any country which has taken part in committing terrorist attacks."



Jerusalem Mayor Teddy Kollek swaps gifts yesterday in the capital with the prime of Mexico, Cardinal Ernesto Korfio Omada. Earlier the cardinal met Religious Affairs Minister Ze'evan Hammer in what ministry officials described as the first-ever meeting between a religious affairs minister and a Catholic prelate. (Brian Hender)

David Balas loses his cool in Tel Aviv courtroom

By YORAM GAZIT
For The Jerusalem Post

TEL AVIV. - Immaculately dressed financier David Balas, once known for his reserved behaviour, lost control of himself yesterday in Tel Aviv District Court for the second day running. Balas shouted that he understood why businessmen Avraham Gindi and Michael Albin had killed themselves and claimed he himself had considered suicide because of his treatment by police.
The outburst came during a brief recess when Judge Shoshana Bergman invited Balas's attorney Ya'acov Wiener and prosecutor Pinna Dvorin into her chamber, following continuous clashes between them.
Balas, charged with defrauding the United Kibbutz Movement of \$29 million, began to shout when photographers used the recess to take pictures of him.
"They put me in an isolation cell for two months and took me out only after I lost 20 kilos," Balas cried.
The police, he continued, "put a rope above my head. And they put me in the same cell with a crazy criminal from the territories to break my will."
"But I'm strong and I wouldn't

break. And I won't go back to where she wants to send me, to the place I grew up - the slums," Balas screamed, pointing at Dvorin's empty seat.
"She said I'm a psychopath," he said. "But how can you explain that a psychopath like me handled \$150 million of the UKM's money?"
Balas's British wife Isabel did not move from her chair during her husband's outburst.
During yesterday's court session, Wiener spent four hours cross-examining Ya'acov Ben-Yishai, who handled the UKM finances. Wiener attempted to convince the court that the kibbutz movement management had not coordinated its financial actions well and that the resultant chaos led them to believe that Balas had defrauded them.
Balas allegedly borrowed \$29 million from the UKM, using certificates of deposits in Bank Discount as collateral. He then allegedly withdrew the deposits from the bank, leaving the collateral worthless.
Wiener argued yesterday that Ben-Yishai knew Balas had withdrawn the deposits, but Ben-Yishai denied this.

Ministry defies rabbinate on the moment of death

By JUDY SIEGEL
Jerusalem Post Reporter

The Health Ministry yesterday announced that it would not abide by the Chief Rabbinate's condition that a rabbinical representative be included in any medical team called to determine the moment of death of a potential heart donor.
Ministry director-general Dan Michaeli stated this after top officials of the ministry met yesterday to discuss the five conditions set by the rabbinate in the *halachic* ruling they issued on Monday approving heart transplants at Hadassah Hospital in Jerusalem.
The ministry does not object to the other four conditions, including the demand that the donor must have stopped breathing on his own for 12 hours before his still beating heart could be removed. The rabbis also insisted that before his death, the donor or his close relatives, agree that the heart be donated.
The ministry had warmly welcomed the rabbis' ruling on Monday,

and did not issue any objections then, while not formally endorsing the five-point rabbinical statement. However, increasing fears among doctors and ministry officials that allowing a rabbinical representative - even an outside religious doctor - to determine the moment of death would be granting the rabbinate powers it had never been given before.
Hadassah Hospital said it could live with all five conditions set by the rabbinate, including the one requiring a rabbinical representative to participate in determining the moment of death.
But a Health Ministry source told *The Jerusalem Post* that "we set the guidelines for hospitals, and if we oppose one of the rabbinate's conditions, Hadassah will not be able to observe it."
The ministry views the Chief Rabbinate's decision to recognize "brain-death" as the moment of death as a "breakthrough" and as separate from the other conditions.

With deep sorrow, we announce the passing of my beloved husband, our father and grandfather

Dr. WALTER PIETRKOWSKI

Wife, Ilse (nee Kupferberg)
Son, Reuven, and Zippora Peri
Daughter, Yael, and Shlomo Haruvi
Grandchildren, Michal, Dan, Alon, Avital and Yehud
Sister, Trude Stargardter and the family

The funeral will take place on Friday, Nov. 7 at 12 noon, at Tzur Shalom Cemetery (Kiryat Bialik). A bus will leave from the family residence, 27 Zisheng St., Kiryat Haim, at 11:30 a.m.

The unveiling of the tombstone of our dear

REBECCA LEHRMAN 577

will take place at Har Hamenuhot cemetery, Jerusalem, at 4 p.m., on Tuesday November 11, 1986.

Rabbi Dr. F.M. Lehrman and family

We announce in sorrow the passing of

RIVKAH RIEGER-KAPLAN 577

The funeral will leave at 10 a.m. tomorrow, Friday, November 7, 1986, from the Sanhedria Funeral Parlor, for the Har Hamenuhot cemetery, Givat Shaul, Jerusalem.

Please refrain from condolence visits.

The Family

500 من الأصل

Big defeat for Reagan

By WOLF BLITZER
Jerusalem Post Correspondent
WASHINGTON - President Reagan suffered a major political setback on Tuesday when the Democrats regained control of the U.S. Senate.

He had campaigned vigorously in recent weeks for many Republican Senate candidates, especially in California, Nevada, Washington, Maryland and North and South Dakota. Almost all of those Republicans lost.

The new 55-to-45 Democratic majority in the Senate, backed up by the continued Democratic control of the House, means that Reagan will have to share much of his political power with his opponents.

The Republicans had maintained a 53 to 47 majority in the Senate - a key factor in Reagan's ability to push through legislation since taking office nearly six years ago. That Republican majority in the Senate served as a counterbalance to the Democratic control of the House. Now that has changed.

The House of Representatives, with all 435 seats at stake remained in the control of the Democrats, who stood to gain a handful of seats over their pre-election majority of 253 to the Republicans' 180.

By midday Wednesday, the Democrats had won 257 seats and were leading in three. The Republicans had won 173 and were ahead in two.

Retiring House Speaker Thomas O'Neill declared, "If there was a Reagan revolution, it's over."

The Democratic victories were certain to complicate Reagan's last two years in office. But many Democratic members of Congress share some of Reagan's conservative views, and it appeared likely that the President would be able to continue building issue-by-issue coalitions with Democrats and Republicans to pass legislation.

Other political observers however are already suggesting that the Republican defeat on Tuesday has set the stage for a lame-duck Reagan



Fred Grandy, better known to television viewers as the fun-loving purser Gopher Smith in the 'Love Boat' series, reflects on his new position as Republican Congressman for Iowa's Sixth district. He defeated Democrat Clayton Hodgson.

(Reuter telephoto)

presidency during his final two years in office. Reagan and his policies are likely to be stymied out of partisan political reasons.

In Israeli terms, this new political fact of life in Washington represents a national unity government of sorts, with the two major parties sharing power - the Republicans controlling the executive branch of the U.S. government with the Democrats in charge of the legislative.

Just as in Jerusalem, moreover, either of the two big parties will be in a position to veto policies and programmes. This means that Reagan and his aides will have to work more toward consensus with the Democrats. "We'll have to find the lowest common denominator," one Republican strategist said.

Given the constitutionally mandated powers of the Congress, Reagan will be severely hampered if he tries to push through controversial domestic and foreign policies. Meanwhile, the most powerful

position in state government, the governor's seat, proved a bright spot for the Republicans, who scored a net gain of at least eight states in the 36 races.

Following Tuesday's elections, there are now 25 Democratic governors, 24 Republicans and one race to be decided, in Vermont.

Republicans ousted Democrats for the governorships of Texas, Florida, Nebraska, South Carolina, Maine and Wisconsin.

But there was no doubt that the big prize on Tuesday was the Senate, and in that contest the Republicans lost badly. For Reagan personally, it was a humiliating defeat, given the amount of time he recently spent campaigning around the country.

The Democratic victories have immediately heightened interest in the 1988 presidential race. Reagan is prevented by the constitution from seeking a third term. Among the Republican presidential possibilities are Vice President George Bush, Senator Bob Dole of Kansas, Illinois Governor Bill Thompson, Representative Jack Kemp of New York, and fundamentalist television preacher Pat Robertson.

Retiring Republican Senator Paul Laxalt of Nevada, another often-mentioned candidate, suffered a severe setback Tuesday when he failed to produce a winner in his hand-picked successor Jim Santini, who lost to Democrat Harry Reid. Laxalt, Reagan's best friend in the Senate, had campaigned hard for Santini.

Various Democratic names being mentioned include Senator Gary Hart of Colorado, who is leaving office to run full-time for his party's nomination; New York Governor Mario Cuomo who easily won re-election on Tuesday; Delaware Senator Joseph Biden; and Missouri Representative Jim Gephardt.

Some 178.3 million Americans eligible enough to vote, but participation was expected to be far lower than that. Voter turnout averages about 39 per cent in "off-year" general elections when there is no contest for president.

Robert Kennedy's offspring win one, lose one in House

Joe Kennedy



U.S. Representative-elect Joseph Kennedy thanks his supporters after winning a House seat. (Reuter telephoto)

BOSTON (Reuter). - Joseph Kennedy, son of the late Senator Robert Kennedy, became the latest member of America's most famous political family to win public office with an overwhelming election to the House of Representatives.

Kennedy, nephew of the late President John Kennedy and Massachusetts Senator Edward Kennedy, won the seat of retiring House speaker Thomas "Tip" O'Neill by a three-to-one margin over Republican opponent Clark Abt, a businessman, in Tuesday's congressional elections.

In doing so, the 34-year-old Kennedy continued a family tradition of never losing a political race in Massachusetts.

But in Maryland's 2nd congressional district, Kennedy's older sister Kathleen Kennedy Townsend, failed in her attempt to join her brother in the House.

She was defeated by Republican representative Helen Bentley, 62, who took about 60 per cent of the vote.

Flanked by her mother, Ethel Kennedy, and her uncle, Edward Kennedy, the 35-year-old Townsend hinted she would return to challenge Bentley again in 1988.

The Massachusetts seat won by Joseph Kennedy served as the launch



Kathleen Kennedy Townsend faces her supporters after losing her bid for a Maryland seat in the House. (Reuter telephoto)

chasing pad for the political career of John Kennedy. O'Neill took over the 8th district seat in 1952, when Kennedy ran for the Senate.

Joseph Kennedy's election was a foregone conclusion once he won the Democratic primary election in September over eight opponents. The 8th district is the most heavily Democratic in the U.S. and, with 28 per cent of the precincts reporting, Kennedy had won 72 per cent of the vote.

Abt conceded a little over two hours after the polls closed.

Reagan's critics now have voice on policy

WASHINGTON (AP). - Some of President Ronald Reagan's harshest congressional critics will have a bigger voice in determining the fate of his domestic and foreign policy proposals now that opposition Democrats have won control of the Senate.

But some key committee chairmanships will go to conservative southern Democrats, and they may steer a course even more to Reagan's liking than that followed by their moderate Republican predecessors over the past six years.

Nonetheless, outgoing Senate Majority Leader Bob Dole said the switch from Republican to Democratic control is "going to make it more difficult for the President."

Dole cited the conservatives Reagan likes to appoint to federal judgeships. That's one place Reagan will run into trouble with the new Senate that must approve the nominations, he said.

Domestic issues will come under the scrutiny of liberal Democrats such as Sens. Edward Kennedy of Massachusetts, Howard Metzenbaum of Ohio and Joseph Biden of Delaware. Reagan's policies on defence spending, foreign affairs, agriculture, trade, taxes and deficits are all likely to come under challenge.

Kennedy will be in line to take over either the Judiciary Committee or the Labour and Human Resources Committee. If he takes the Labour post to push some of his pet job training initiatives, Biden would take over the Judiciary Committee. But if he chooses Judiciary, Metzenbaum would run the Labour unit.

Overall, Democrats say their return to control of the Senate will give them a chance to prove they are responsible, and capable of governing.

Senate Democratic leader Robert Byrd of West Virginia, who figures to get his party's nod to lead the new Democratic majority, said the Democrats want to work with Reagan in a bipartisan way but have some ideas of their own.

They will "put a trade bill on the President's desk" and try to "nudge" the administration and the Soviet leader to work for effective arms control," Byrd said. He also promised a new farm policy.

Democrats ran the senate for a quarter century until Reagan's landslide election in 1980. For the past

two years, however, swing votes on each side of the Senate aisle that divides Republicans and Democrats have kept the Republicans from having a majority that could be taken for granted.

Thus, Dole said late last month that a shift back to a Democratic majority would not mean an abrupt change in the legislation the Senate produces. He said that "by the very nature of the Senate, and the number of nearly every significant piece of legislation has been bipartisan...I would guess when we return in the 100th Congress, the Senate will still be closely divided."

That means the Senate, which traditionally has less party discipline than the House of Representatives, will not be going up against the President on all issues.

Just as Democrats conceded Reagan's personal popularity and shied away from direct attacks on him during the campaign, they are likely to be wary in the early days of the new congress of picking fights with him solely for the purpose of confrontation. Still, Byrd, who has led Democrats in the Senate since 1978, has made clear that a shift to a Democratic majority means a shift in tone.

"The leadership in the Senate would set the agenda, not the White House," said Byrd.

Democrats meet November 20 to pick their Senate leaders for the next Congress.

Byrd said that Sen. Sam Nunn of Georgia taking over the Armed Services Committee would mean "preference in military spending, but it would also mean developing a better balance between strategic and conventional forces."

Nunn advised against looking for many changes in the way that panel does business. He said he and Republican Sen. Barry Goldwater, the former chairman who retired this year, "worked as a team."

That's good news for Reagan's "Star Wars."

As for foreign policy, Byrd said, the Democrats, with Claiborne Pell of Rhode Island heading the Foreign Relations Committee, will seek "a foreign policy that is more in keeping with the feelings of the American people."

Translate that to mean fights with Reagan on U.S. aid to the Nicaraguan Contra rebels.

France to update nuclear arsenal

PARIS (Reuter). - The French government approved a 474-billion-franc (\$71.5 billion) military spending plan yesterday that will finance a major effort to modernize the country's nuclear arsenal over the next five years.

The 1987-91 spending plan also calls for a costly rearmament of France's conventional forces, including its first nuclear-powered aircraft-carrier and an airborne early warning system.

The government spokesman said after yesterday's cabinet meeting that defence procurement spending would rise by six per cent in real terms each year.

The rightist government of Prime Minister Jacques Chirac scrapped defence plans inherited from the Social-

ists, saying the plans were outdated and under-funded and left France lagging in the high technology arms race.

The spokesman said priority would be given to the French nuclear strike force, which is spearheaded by a fleet of six nuclear missile submarines.

He said France would press ahead with refitting its submarines with the new six-warhead M4 missiles as well as developing a new generation submarine and a new missile, the M5. This should have at least 10 independent warheads.

The plan also calls for France to develop a new land-based ballistic missile by 1996 to replace ageing rockets sited in silos in Provence, and Mirage nuclear bombers.

'Pravda' says Falkland isles to serve as 'Star Wars' base

MOSCOW (Reuter). - The Communist Party daily Pravda yesterday accused Britain of serving U.S. military interests by imposing a 200-mile fishing limit around the Falkland islands.

Pravda said in a sharply worded commentary that London's latest move in its dispute with Argentina over the South Atlantic islands was fully in line with Washington's position at the Reykjavik summit, which collapsed over President Ronald Reagan's "Star Wars" programme.

"As concerns the Falklands, this 'unsinkable aircraft carrier' is ready at any moment not only to serve American "Firemen commandos"

on interventionist assignments, but also to act as a base in the global strategy of 'Star Wars', it said.

Pravda added that by imposing the Falklands fishing limit, Britain was also seeking exclusive rights to mineral wealth surrounding the archipelago.

Britain declared the fishing zone after Argentina signed pacts with the Soviet Union and Bulgaria regulating fishing in its 150-mile exclusive economic zone, which now overlaps Britain's military exclusion zone around the islands.

Argentina, which invaded the Falklands in 1982, has strongly protested against the British decision.

California adopts English officially

WASHINGTON (APF). - California yesterday became the seventh state to adopt English as its official language in a referendum tied to Congressional elections.

Unofficial results showed more than 70 per cent voted for an amendment to the state constitution banning any law which aimed at "diminishing or ignoring English as the common language."

California, the most populous U.S. state, will have an Asian and Hispanic majority by the beginning of the next century, according to demographic predictions. It is the seventh of the 50 states to adopt such an amendment.

Soweto buses stoned

JOHANNESBURG (APF). - Stone-throwing youths attacked buses yesterday in the black township of Soweto for a third straight day in a continuing boycott over fare increases. Scores of buses had their windows smashed since late Tuesday, two buses have been

hijacked and one damaged by fire. Bus fare increases have become an emotive issue in South Africa as urban blacks rely heavily on bus transport to bring them to work from the outlying townships where they are forced to live under racial segregation laws.

U.S. warships make first call to China

QINGDAO, China. - Three American warships sailed past a row of Chinese submarines yesterday into the eastern port of Qingdao for the first U.S. Navy port call ever to Communist China.

The week-long port call by the guided missile cruiser Reeves, the destroyer Olendorf and the guided missile frigate Rentz marks the first time U.S. Navy ships have been in China since May 1949, five months before communist forces took over.

Earlier yesterday, China reaffirmed that it did not allow visits by foreign warships carrying nuclear weapons, but gave no explanation as to how it had agreed to the visit of three U.S. Navy vessels. U.S. policy is neither to confirm nor deny whether its warships carry nuclear weapons on foreign port calls.

"All I can say is that it is a good-will courtesy call to China," Foreign Ministry spokesman Ma Yizhen said. But non-U.S. Western military experts here indicated it was likely that Peking and Washington had reached a tacit agreement that the visiting ships would not carry nuclear arms. (AP, AFP)

Nine helicopters downed

ISLAMABAD (Reuter). - Anti-Communist guerrillas in Afghanistan shot down a record nine helicopters and a jet aircraft last week, Western diplomats said here yesterday.

They did not say whether the guerrillas had used sophisticated U.S. Stinger missiles in the attacks.

Shultz meets Shevardnadze Arms talks follow clash over SDI

VIENNA (Reuter). - Soviet Foreign Minister Eduard Shevardnadze and U.S. Secretary of State George Shultz met yesterday for arms talks after clashing over the American "Star Wars" project at the Vienna Conference on European security and cooperation (CESC).

U.S. officials said they were meeting with their interpreters at the American embassy in the first round of discussions which are due to continue today.

Civilian disarmament specialists with the two delegations were on hand and a senior Shevardnadze aide said they would be called in if necessary.

Earlier in speeches to the conference, both hailed last month's Reykjavik summit as opening prospects for historic agreements on nuclear arms cuts. But both staked out the same opposing stands on Star Wars, formally known as the Strategic Defence Initiative (SDI), which wrecked chances for accords at the summit between Soviet leader Mikhail Gorbachev and U.S. President Ronald Reagan.

Shevardnadze told delegates of 35 nations that the question of what SDI and an ensuing arms race meant for the world "should be considered by all of us together."

Unless this were done the problems of strategic and medium-range nuclear arms, which formed part of the summit package negotiated by Gorbachev and President Reagan, could not be resolved, he said.

U.S. Secretary of State George Shultz reaffirmed the Reagan Administration's commitment to the plan and said Soviet proposals at last

month's Soviet-U.S. summit in Reykjavik were designed to cripple it.

The Soviet Foreign Minister criticized France and Britain for their lack of response to a Soviet move to set aside consideration of their nuclear forces in arms negotiations. "Instead of saying, 'Eventually we will join you,' they all but declare their nuclear systems eternal," he said.

Shultz in his speech yesterday sharply criticized the Soviet bloc for alleged human rights abuses.

Shevardnadze said that "systematic and massive" human rights violations had occurred in the U.S., which had ignored UN declarations on the right to housing, medical care and other needs.

He also proposed a special conference involving representatives of the 35 states at the Vienna conference to be held in Moscow and to discuss the whole range of human rights issues.

Shevardnadze yesterday also denounced terrorism as the "plague of the 20th century" and called for joint efforts to wipe it off the streets of Europe.

But he told a review meeting of the Conference on Security and Cooperation in Europe (CSCE) not to identify individual terrorist acts with entire peoples and countries. His remarks followed other signs of a new tougher Soviet line on terrorism coupled with attempts to dissociate it from Moscow's allies in the Middle East and elsewhere.

"Only by joining our efforts can we succeed in eradicating from Europe terrorism - this plague of the 20th century," Shevardnadze declared. (AP, Reuter)

Pakistan denies report it's on verge of making A-bomb

ISLAMABAD. - Pakistan yesterday denied a report in the Washington Post newspaper that it was only "two screwdriver-turns" away from developing a small nuclear bomb.

"Pakistan does not produce and has no programme or intention of producing nuclear explosive devices," a Foreign Ministry spokesman told reporters.

The Washington Post quoted an unidentified U.S. intelligence official as saying Pakistan could assemble a bomb within two weeks, and another official said that in practical terms it was only "two screwdriver-turns" from a completed bomb.

The spokesman said the report was "without any basis in reality," and complained of what he called a false propaganda campaign for the past seven years that Pakistan was making nuclear weapons.

A U.S. State Department spokesman Tuesday repeated warnings that Washington would stop aid to Pakistan if Islamabad made a nuclear bomb.

Scattered clashes between rival

ethnic group continued with gun battles in some areas of Karachi yesterday. A visit by a U.S. navy aircraft carrier group planned for today was called off because of the rioting that has left at least 51 people dead.

Residents said there had been shooting in the city's Orangi district between gangs from the Pathan and Muhajir rival ethnic groups. But they had no information about casualties.

Riot police clashed with a few roaming gangs. Several thousand troops continued to patrol the city in trucks mounted with machineguns. Soldiers also stood at key intersections and manned gun positions and barbed-wire barricades.

Government officials, who did not want to be identified in keeping with official practice, said the visit by the U.S. aircraft carrier Carl Vinson had been called off because of disturbances. The officials said there was concern about the safety of the American sailors. (Reuter, AP)

IN BRIEF

EEC airlift to Sudan

KHARTOUM (AP). - A European Economic Community airlift of relief supplies to starving people in southern Sudan, begun with little fanfare, already has ferried 90 tons of supplies to the south, the official Sudan News Agency said.

The operation, called "Eros Bow," apparently was started in secret to avoid political and administrative problems that badgered the much-publicized international airlift, "Operation Rainbow," before it was stopped last month.

Sri Lanka rebel chief killed

COLOMBO (Reuter). - Security forces shot dead five Tamil guerrillas including a leader, and rebels killed two civilians who refused them food in Eastern Sri Lanka yesterday, the government said.

It said Chitravel Sittampalam, "a much hunted" leader of the powerful Liberation Tigers of Tamil Eelam rebel group, and another guerrilla were killed in eastern Muttur district.

Philippine elections set for May

MANILA (APF). - President Corazon Aquino yesterday announced that legislative elections would be held on May 11 to fill over 200 seats in a revived U.S.-style bicameral congress.

The election is to follow a plebiscite for the new Philippine constitution on February 2.

Aquino said she was "very confident" that the majority of the electorate will ratify the charter, which was drafted by her appointees.

Vatican honours ADL official

VATICAN CITY (AP). - Dr. Joseph Lichten, the Rome liaison officer of the Anti-Defamation League of B'nai B'rith, on Tuesday was inducted by the Vatican as Knight Commander of the Pontifical Equestrian Order of St. Gregory the Great.

The honour is awarded to those who show a "gift of human and religious sensibility and a zeal for peace." Lichten, a Polish-born American, was specifically cited for "promoting Jewish-Christian dialogue and...the fight against anti-Semitism."

Botha is bolstered by gov't shakeup

JOHANNESBURG (Reuter). - South Africa's latest government shake-up will not lead to policy changes but has given more muscle to the already powerful executive controlled by President P.W. Botha, according to political analysts.

They said the President, under attack from some traditional white supporters, had been careful not to upset the balance between the hard-line and 'Verligte' (Enlightened) wings of the ruling National Party (NP).

They also said that far from streamlining government - one of the declared goals of the shake-up - the move would boost the already large administration.

Botha announced Tuesday he was dropping two controversial figures, Law and Order Minister Louis Le Grange and Information chief Louis Nel, cutting the cabinet from 20 to 18

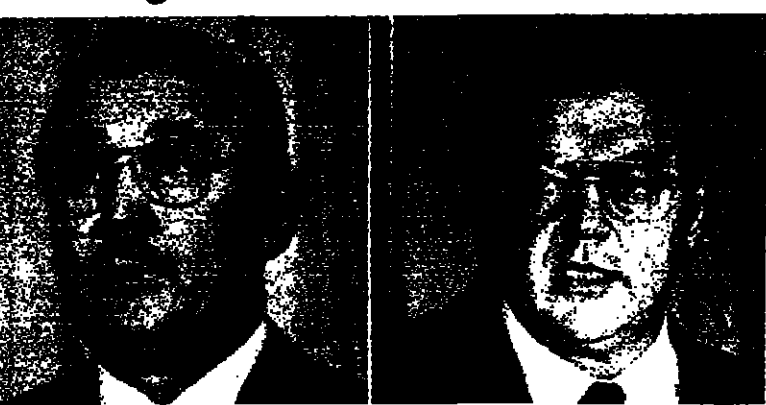
and doubling the number of deputy ministers to 20.

Le Grange and Nel have played major roles in enforcing a national state of emergency that has resulted in more than 20,000 people being detained without trial and imposed tight restrictions on the media.

Analysts doubted whether the appointment of new men such as Law and Order Minister Adriaan Vlok could succeed in improving the standing of the security forces. "It is difficult to keep blood off the sharp end of the emergency and make it look pretty," said Alf Stadler, head of political studies at Witwatersrand University.

White opposition leader Colin Eglin said the shake-up was a further shift of power to Botha's executive against the legislature and the private sector.

Botha has taken tighter personal control of propaganda and information.



Law and Order Minister Louis le Grange (left) and Louis Nel, Deputy Minister for Information, who lost their posts in South Africa's government shake-up. (Reuter telephoto)

The shake-up puts the state-run South African Broadcasting Corporation (SABC) under the President's Office together with the

Bureau for Information, the sole source of official statements on black political violence.

"Botha has given himself... a

powerful instrument of propaganda. Not only broadcasting but information emanating from every department of government is now under his thumb," the Conservative Business Day said in an editorial.

"The combination is vicious - a powerful executive barely restrained by a weak legislature and armed with the means to sway and manipulate it as close to totalitarianism as can be achieved short of outright dictatorship," it said.

Eglin said the appointment of a further 10 deputy ministers meant nearly half the NP's 127 Parliamentarians were drawing a state salary - "it increases the length of the gravy train."

Eglin and western diplomats said the balance in the cabinet between hard-liners and ministers keen to speed up the scrapping of apartheid racial discrimination had been unaltered.

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THE ROLE OF PROTEIN PHOSPHORYLATION IN THE HORMONAL CONTROL OF CELLULAR ACTIVITY

In the chair: Prof. Yoram Salomon

Head, Hormone Research Department

Thursday, November 13, 1986

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— The public is invited —

WEI 326-10-724

'Backward and ignorant' Orthodox lambasted at Reform symposium

By ARYEH RUBINSTEIN
Jerusalem Post Reporter

The two Orthodox participants at yesterday's symposium at the Hebrew Union College in Jerusalem on "Religion and State in Israel" cried foul after hearing speakers on the other side, notably MK Shulamit Aloni, head of the Citizens Rights Movement.

Aloni drew the loudest applause of the morning from the overwhelmingly Reform audience after lambasting the "backward and ignorant" Orthodox establishment and declaring that "halacha (Religious Law) stopped in the 16th century."

She said that the 12th century Rambam (Maimonides) was a pioneer in his day but could not be a guide to Jews today. The only way to stop Israel from becoming a Khmeimel-like state, she said, was to separate state from religion. In the new life being developed in Israel today, as with a tree, it is not the roots which are of paramount importance, but the fruit, she said.

Aloni also challenged the authority of the chief rabbis, saying that "a pope is foreign to Judaism. I too was at Mount Sinai - if there was a Mount Sinai - and not just the Chief Rabbi!" she said.

Rabbi Menachem Hacohen, an

Alignment MK, said in his opening remarks that Orthodoxy's main weakness was its turning everything into "dry halacha", and its failure to give the components of ethics, proper behaviour, Aggadah (legend) and Jewish philosophy their due.

Reform's basic error, he said, was its belief that for the sake of convenience there was nothing in Judaism that could not be changed. Still, he preferred Reform Jews to Jews who belong to no Jewish framework at all. For today's Reform Jews, unlike those in Germany a century ago, do not want to assimilate but to be a part of the Jewish people. And an Orthodox-Reform dialogue is of great importance, he said.

Yitzhak Meir, head of the World Zionist Organization's Department of Torah Education in the Diaspora, said that Israel must be a Jewish state and not only a state of the Jews. And it was not because of the electoral power of the religious parties that the founding fathers had decided that there should not be separation of state and religion, he said.

The real trouble started with "an unfortunate conception" of the proposed "Who is a Jew" amendment to the Law of Return, Meir said. "A Reform Jew is a Jew!" he declared. "That is just as clear as it is

clear that today is Wednesday." What the Law of Return really dealt with was "Who is a rabbi?" or "What is a conversion?"

The tragedy of Reform, Meir said, was that it opened the door to mixed marriages ("which was really open anyway"); its noble aspect was that it had kept many Jews in the Jewish fold. His conclusion: "We have a great common Jewish future."

Rabbi Mordechai Rotem, of the Reform congregation Or Hadash in Haifa, said that the issue was not the rights of Reform rabbis but the spiritual future of the State of Israel.

The Orthodox establishment is preventing the younger generation from enjoying its religious heritage, he charged. It has assumed a monopoly over religious truth, and that the youth would never accept.

Politics had already done enough damage to religion, Rotem said. It has kept the younger generation from seeing Judaism as it really is. But it was not enough to separate religion and politics. We must design a Jewish life that will be acceptable to the majority, he said.

Ya'akov Tsuri, minister of immigrant absorption, said that if aliyah remains "on the fringe of Jewish life" in the Diaspora, a growing alienation between Israelis and

other Jews is to be expected.

"Will you be no more than lovers and critics of Israel from afar?" he asked. Aliya is not only vital for Israel's future, but essential for a genuine partnership between Israel and the Diaspora, Tsuri said.

In the second round of the discussion, Hacohen declared himself very unhappy. "There is extremism in the Orthodox camp, but there has also been extremism here today." He had not understood that the aim of the symposium was for each side to throw bricks at the other. But Aloni (who left early), with her "slogans," had done just that.

Meir rebuked David Belin, chairman of the North American board of the World Union for Progressive Judaism, for "repeating the lie" that the Orthodox do not recognize Reform Jews as Jews. He had made it clear in his speech that they are so recognized. "We may not recognize Reform conversions, but that's something else."

Tsur in the second round advised the Reform movement to let all other problems wait and concentrate its efforts at this time against any change in the Law of Return and against giving the local Rabbinical courts the right to pass on all overseas conversions.



London's official town crier Alfie Howard sounds off in Jerusalem yesterday, opening El Al's winter tourist season for sun-starved Englishmen. (Isaac Harari)

Out of love with practical politics

Bar-On: Knesset 'waste of time'

By DVORA GETZLER
Post Knesset Reporter

Mordechai Bar-On is a highly politicized man who has fallen firmly out of love with practical politics, mostly because of the premium it puts on shallowness, he says.

But Bar-On, who announced this week that he was resigning his Knesset seat, blames neither the Knesset nor the Israeli realities for this. He believes politics throughout the world encourages shallowness.

"Politics is news and the media see the Knesset - and other parliaments too - as a prime source of news. Knesset members know this and feel compelled to react and comment all the time on everything, often when they know far too little to make any significant contribution."

"I found myself hearing an item of news on early morning radio and immediately working out my position and issuing a statement. After you've done that a score of times, you begin to realize that it's not enough, that you haven't influenced anything by your statement."

At 58, Bar-On feels he does not want to "waste time. And for me the Knesset was just that." He is working on his doctorate, has a half-finished book to complete and other writing to do.

"That's why I'm not waiting another two years. No, there was no rotation agreement in the Citizens Rights Movement. But Dedi Zucker is young and it'll be better all round if he gets started now."

Bar-On regrets the lack of any real give and take in the Knesset. He contrasts it with the U.S. system where ad hoc alliances on specific non-partisan issues are formed between otherwise politically opposed politicians.

"In the U.S., politicians are also known to change their stands as a result of argument and conviction. This happens very seldom in the Knesset, where the parties as a whole do the deciding. It's too cut and dried. All that's left for the Knesset to do is to interact with the media."

Bar-On believes that the media coverage of the Knesset helps the public know what the Knesset is doing and what the issues are. "But the negative effect is that an MK is then judged by his ability to project himself successfully in the media, rather than by his ability to analyze, to weigh matters, and to delve into issues."

"Of course there are exceptions. A few that spring to mind are Yair Tzaban, Yossi Sarid, Shulamit Aloni, Haim Ramon, and Dan Meridor. Such MKs are good in both directions: They probe the issues and really know what's going on, and at the same time they come across very well in the media."

But if the Knesset is only a talking shop, what about the often-heard contention that the real work is done

in the committees?

"I was on the Finance Committee. And believe me, that's the one that really counts. But it's also the least pleasant place to be. It's dominated entirely by the coalition. Tzaban, Gershon Shafat and I were the only opposition members, and though Shafat is sharply opposed to us on the issue of the territories, all three of us often cooperated on other issues to put up some opposition. But it's impossible."

"It's a committee in which there's a lot of yelling. Unless you shout, you don't get heard. And that's not my style. Although the Alignment and the Likud oppose each other, the coalition situation means that for the most part they arrive at deals behind the scenes. Where we were

rent Knesset was the relentless pressure it brought to bear in the Shin Bet (General Security Service) affair. "Had it not been for that, the whole thing would have faded."

But he concedes that the role of a small opposition party such as his is a very limited one. "We can't do much more than criticize and raise lower our heads on votes."

Bar-On feels that the Knesset has been largely nullified by the national unity government. The real decisions, he says, are taken by the cabinet, and the coalition agreement assures the government of an automatic majority. That endangers democracy, he believes.

Cabinet discussions, he points out, take longer than Knesset sessions.

Bar-On, once chief education officer in the IDF, played a big part in writing the almost programmatic speech delivered by Yitzhak Rabin when, as chief of general staff in 1968, he was awarded an honorary doctorate by the Hebrew University.

"The speech gave overall expression to the mood of the moment. It was a speech of compassion for the defeated, of a desire to return much of the territories. The Labour Party, it seems to me, didn't provide the leadership to give back most of the conquered territories. It's not that Rabin failed, but that this is the result of nearly 20 years of conquest. Of course the Arabs, too, have failed."

Not that Bar-On believes the entire nation is firmly against territorial compromise. He believes that about 50 per cent of the population is open to persuasion. But that persuasion depends on leadership, he says.

Discussing Moshe Dayan's ambivalent stand on the territories, Bar-On - who headed Dayan's bureau during the Sinai Campaign - says that Dayan shunned ultimate responsibility. "He thought some things should be left for the next generation. He never wanted to be prime minister because he didn't want to have to take final decisions. He wasn't prepared to fight to the end for what he believed."

Will he write about Dayan? "Perhaps, at some future time."

Policeman disappears

Jerusalem police yesterday expressed apprehension over the fate of a missing policeman who recently disappeared leaving a suicide note. A search was launched yesterday for Mufid Ibrahim Abu Nimr, 30, who has been missing since Tuesday.

He started work for the police as an undercover agent, but when his cover was revealed he was posted to a patrol beat in the Old City. He lived in the Neve Ya'acov neighbourhood. (Iim).

Jordan-Israeli 'cooperation' denied

By ELAINE RUTH FLETCHER

The head of the West Bank civil administration yesterday denied that there is any direct Jordanian-Israeli cooperation in the development, education and health programmes supervised by Israeli authorities.

Aluf-Mishne (Col.) Efraim Sneh said, however, that local West Bank leaders are free to work through Jordanian and Israeli channels simultaneously - receiving funds from Amman and approval from the civil administration for programmes or services.

"If organizations, corporations, municipalities or welfare organizations go to Jordan and bring back money to carry on constructive projects, we will not object," Sneh said. "But the residents need our approval for plans like irrigation, schools, hospitals.... Jordan and Israel are two completely different channels without any cooperation between them."

Sneh made his comments at a Nablus press conference at which the civil administration released its annual report. The report stated that the area had suffered a 4 per cent

decline in its "Gross National Product," an 8 per cent decline in agricultural income during fiscal 1985-86, which ended April 1.

Sneh blamed the declines on the slower Persian Gulf State, Jordanian and Israeli economies, poor weather for agriculture and a decline in West Bank tourism due to fears of terrorism.

On the brighter side, Sneh said unemployment had remained at a relatively low 3 to 4 per cent and total cultivated land increased by 4.4 per cent. Income from industry increased by 9 per cent.

He also said that the success rate in matriculation exams had jumped from an all-time low of 54 per cent in 1984 to a new high of 68 per cent in the most recent 1986 figures.

The civil administration spokesman attributed the higher success rate - which is now better than Jordan's - to the virtual end of closures of secondary schools for security-related disturbances. She said that 20 to 30 schools were closed temporarily every year before the authorities launched an intensive campaign to convince school admin-

istrators and teachers to dissuade demonstrations and other disturbances.

Sneh also said that the number of people under administration detention is 20 to 30 per cent lower than a year ago, despite a recent rash of six-month detentions.

The annual report notes that 90 cases were submitted to the Supreme Court last year on primarily security-related issues, as compared to 59 a year before. Authorities say the figure reflects West Bank residents' increased use of the Supreme Court as an appeal option in cases of deportation, home demolition and imprisonment.

Sneh also said that there had been a 250 per cent increase in the number of complaints brought before the criminal court system on the West Bank, reflecting what he said was a new show of faith in the overhauled system.

Sneh added that municipal budgets increased by 110 per cent. But that rise was due to increased tax collection - while the Israeli government contribution to local budgets actually decreased.

Disbelief and shock at Rejwan affair

By MYRA NOVECK

For The Jerusalem Post

Jerusalemites expressed shock and disbelief yesterday at the remand of Likud municipal councillor and building contractor Maurice Rejwan on suspicion of receiving stolen property and smuggling foreign currency abroad in connection with the North American Bank scandal.

Rejwan is alleged to have deposited into a Swiss bank a \$1.3 million cheque drawn on a non-existent account at North American.

"I can't believe it. It must be a mistake," said an engineer who has worked with Rejwan. "He's a man who's word is gold."

Businessmen and politicians said it was unbelievable that Rejwan, reputed to be worth over \$100 million, could have been in financial trouble.

One of his latest projects, the large shopping, office and residential complex on the site of the old Talitha Kumi school in downtown Jerusalem, was apparently a success.

According to deputy mayor and planning committee head Avraham Kehila, most of the space in the centre had already been bought up.

Baruch Barkai, spokesman of the local Contractors and Builders Association, also ruled out financial trouble. "He wasn't one of those who made it only after 1967. His father, he noted, "was a wealthy property owner. (Maurice) could lose ten million dollars and it would be nothing to him."

But others recalled rumours that Rejwan had invested and lost heavily in the North American Bank.

Rejwan, 69, heads the Liberal Party in Jerusalem and is closely associated with Finance Minister Moshe Nissim and MK Dan Tichon. If he were to resign his place on the city council it would go to the next one on the Likud list, Herut's Maimon Ben-David. A Likud leader said yesterday this was unlikely to happen at this stage.

Some \$35 million was embezzled from North American during January-August 1985, and most of the money has never been accounted for.

What the delegation saw and learned in Israel could be very useful for Yugoslav agriculture, the article said. "We have to consider the import of electronic milking equipment from Israel, the establishment of bio-gas plants and the use of mix-trailers, electronic irrigation systems and Israeli artificial insemination methods of cattle breeding," the author concluded.

Although Yugoslavia has no diplomatic relations with Israel, trade ties are strong. Yugoslav freight and passenger ships regularly dock at Israeli ports. This month alone three ships, carrying German and Yugoslav tourists, are scheduled to arrive in Haifa.

TELEVISION. - Rafi Ginat, long-time host and producer of TV's *Kol-bolek*, has been appointed director of Israel Television's entertainment department. A tender committee headed by Shaul Amur chose Ginat, who has been working for Israel TV since 1975.

Remand extended for Dubek manager

TEL AVIV (Iim). - Zerah Gehl, the general manager of the Dubek tobacco firm, who is suspected of embezzlement and a variety of foreign-currency offences, yesterday had his remand extended by Tel Aviv Magistrates Court Judge Yitzhak Braz until Saturday night.

The judge also ordered that Gehl be moved from the medical facilities at the Plaza Hotel here to Ramle jail, where there are also hospital facilities.

Gehl suffered a heart attack after being detained by police on suspi-

licing regional electoral constituencies.

Under the proposed law, 80 Knesset members would be elected in 20 constituencies with the remaining 40 to be chosen from a national list. The PLP argues in its petition that if the bill is passed into law, electoral results will not accurately reflect public support for the parties. They say that the small parties, like the PLP, would be hurt by the amendment.

The Knesset voted after a preliminary reading on July 30 to refer the bill to committee by a vote of 50 to 39. The PLP argues, as did a few small parties at the time, that since the bill involves a change in the Basic Law: The Knesset, any decision on it - including one taken after a preliminary reading - requires a majority of at least 80 MKs, as set out in section 46 of the Basic Law. (Iim)

Yeroham Religious Council

Leah Shakdiel bent on gaining seat

By LIORA MORIEL

Jerusalem Post Reporter

YEROHAM. - Leah Shakdiel, the woman nominated by the local council for a post on the Yeroham religious council, is still determined to sit on it despite some gentle arm-twisting from the chief rabbis not to accept the nomination.

"The matter has nothing to do with them. It's for the religious affairs minister and the local rabbi to determine," she told *The Jerusalem Post* yesterday.

Rabbi Eliahu Ben-Dahan, aide to the Sephardi Chief Rabbi Mordechai Eliahu, who was present last week at a meeting between the chief rabbis and Shakdiel, told *The Post* that "the problem is not women of her kind and calibre, but what will happen next. There is no doubt that this could be a problematic precedent."

Noting that secular women in Tel

Aviv want to vote on the selection of a new Ashkenazi chief rabbi for Tel Aviv, Ben-Dahan said that women can make major contributions to the religious life in this country by "teaching brides, caring for ritual baths, educating the young, and so on." His suggestion was that women "who want to" work alongside, but not within, the local religious councils.

Menuba Pantz, the first woman Gabbai (synagogue treasurer) in Israel, said that "things must be done respectfully, and there must be a way for a woman to sit on the religious council. We had a woman judge in our history and a queen, so why not a woman on a religious council? The rabbis must state why they are opposed and then we can overcome the problem of suspicion."

Shakdiel was reluctant to comment on her meeting with the chief

rabbis, saying that it had been held at their behest. Legally, she noted, the chief rabbis are not a party to the selection of people for local religious councils.

"A general discussion on the subject of women in religious institutions is vital," she said, "and we must not drop the matter from the public's agenda. But my case is different. According to the law, there are only vague criteria for membership on local religious councils. Each group can determine the eligibility of every other group. The local council appoints four candidates, the local rabbi appoints another and the minister appoints four more."

"There are no established selection criteria, but if someone decides officially, not merely through the media, that a woman is not eligible then I will appeal to the High Court of Justice," she said.

Yugoslavs 'amazed' at Israeli farming

By YA'ACOV FRIEDLER

Jerusalem Post Reporter

HAIFA. - Yugoslav farmers have been urged by a Belgrade farming monthly to import Israeli farm equipment and learn from Israel's "amazing" agricultural achievements.

In an article in the August issue of *Poljoindustrija* about a visit by Yugoslav dairy experts to the kibbutzim Afikim and Yagur last July, the author, B. Antic, effusively praised Israeli agriculture.

"The delegation was 'very impressed, and what they saw could make a unique and very interesting textbook about modern farming production on a world-class level,' he wrote."

Noting that Yugoslav cows were producing on average 4,600 litres of milk annually, the article said that Israeli cows were averaging 8,000 litres - a yield that is "still a dream

for Yugoslav farmers."

The delegation told the monthly that both kibbutzim "use Israeli-made equipment," highly mechanized and computerized and especially noted the "fully electronic milking equipment operated by the push of a button."

The author stated that such equipment could be built for Yugoslav farms by the Alfa-Laval company, of France, which has ties with Israeli manufacturers.

The visiting experts also urged Yugoslav farmers to milk their cows three times a day, as done in Israel, instead of only twice a day.

The delegation praised Israel's computer-controlled drip-irrigation systems, the Israeli-made mixing-trailers which distribute homogenized feed to cattle, and a pilot plant on Yagur for turning manure into bio-gas for fuel.

What the delegation saw and learned in Israel could be very useful for Yugoslav agriculture, the article said. "We have to consider the import of electronic milking equipment from Israel, the establishment of bio-gas plants and the use of mix-trailers, electronic irrigation systems and Israeli artificial insemination methods of cattle breeding," the author concluded.

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licing regional electoral constituencies.

Under the proposed law, 80 Knesset members would be elected in 20 constituencies with the remaining 40 to be chosen from a national list. The PLP argues in its petition that if the bill is passed into law, electoral results will not accurately reflect public support for the parties. They say that the small parties, like the PLP, would be hurt by the amendment.

The Knesset voted after a preliminary reading on July 30 to refer the bill to committee by a vote of 50 to 39. The PLP argues, as did a few small parties at the time, that since the bill involves a change in the Basic Law: The Knesset, any decision on it - including one taken after a preliminary reading - requires a majority of at least 80 MKs, as set out in section 46 of the Basic Law. (Iim)

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ELECTIONS FOR THE MINHELET OF HAR NOF

Elections for the Minhelet of Har Nof will be held, 1986, on the 5th of Tamar (18.1.87). These people who purchased flats in Har Nof are planning to come live in the neighborhood within 18 months of the day of the elections also have the right to vote.

For more details contact the Minhelet office at 18 Sheulim St. Tel. 533986.



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FEATURES

Shoe-store theory may yield cultural riches

ED SULLIVAN used to audition new talent there. The Israeli Philharmonic played in the garden. Even Frank Sinatra has put in an appearance at Tel Aviv's ZOA House.

The building on Daniel Frisch Street, just off Ibn Gabirol, was constructed 35 years ago by the Zionist Organization of America as a cultural and social centre where English-speaking immigrants could both feel at home and mix with Israelis. It was the only likely place to have real Thanksgiving turkey until the hotels got into the act and pushed the prices up. For 15 years it was a thriving cultural centre in Tel Aviv. But it declined as more concert and theatre halls went up around the city.

For the past 20 years or so it has kept what the Americans call a low profile: the amateur Drama Circle, playing in an outdated auditorium with wooden seats; an urban co-sponsored with the city; lectures, sing-along evenings, exhibitions. A respectable place to learn Japanese, even. But not a big draw.

Now that's beginning to change. According to Yoram Kleiner, who took over as director nearly four years ago, the physical development of the building is undergoing now will make it once again an important cultural centre in the city. Certainly not the only one. Kleiner reels of a number of them all in a radius of a kilometre or so: Habimah and the Mann Auditorium, the Cameri, the Histadrut's Beit Leissin, Tzavta, the Tel Aviv Museum and Beit Ariella, which will expand within a few years into the Golda Centre, including a new theatre, opera house and concert hall. As far as Kleiner is concerned, the more, the merrier.

He seems to practise a gentle, understated style of promotion and administration, which he has applied in the past as an organizer of the Maccabiah games, as a fund-raiser for Tel Aviv University, and as an emissary in the U.S. for the Jewish Agency's Youth and Hehalutz division. On the subject of cultural competition, he adheres to what he calls the "Neve Shanan theory of shoes." The reference is to the street near Tel Aviv's central bus station which has nothing but shoe stores. The more stores, the more interest in shoes, he says. "Another 10 could also make a living."

Once the ZOA house has improved its facilities, he is certain that private impresarios as well as public bodies will be glad to use them.

Upstairs, the wooden seats have disappeared from the old auditorium. There will be acoustical walls and ceiling, a slope providing back

BETWEEN ACTS
Marsha Pomerantz



ZOA House director Yoram Kleiner - a gentle style of promotion.

rows with a view of the stage, a projection booth at the rear, 260 upholstered seats and carpeting. A centre for film as well as theatre and chamber music, it will be inaugurated at the end of this month with a showing of *Forbidden* starring Jacqueline Bisset. The film is a World War II love story, about a countess and the Jew she's hiding; Kleiner describes it as "a nice melodrama, a little too American."

The renovation of the small theatre is being financed by Mr. and Mrs. Jacques Torczyner of New York, and Torczyner was on hand last week to inspect the progress. It's costing twice as much and taking twice as long as originally estimated, he says, but he knows that's usual for Israel.

The film programme is being handled by Eli Gelfand, who has brought Claude Lanzmann's *Shoah*, the Taviani brothers' *Kaos*, and other major films to Israel. The next feature at ZOA House will be *Death of a Salesman* with Dustin Hoffman, and the programme in general will include midnight screenings, film study days for schools and possibly mini-festivals focusing on American film-makers.

THE MAJOR addition to ZOA House, now under construction and

scheduled for completion in about a year and a half, is a three-storey wing - with three floors of underground parking - financed by the Joseph Meyerhoff Foundation of Baltimore. It will cost about half a million dollars, with Rascos providing the skeleton of the building, as specified in the contract for their purchase of the neighbouring ZOA property, now the site of an office building.

The new wing will include a 400 to 450-seat auditorium which is to accommodate English and Hebrew theatre and concerts, and possibly dance. Kleiner hopes the hall will provide a home for professional English theatre in Israel, which has never quite gotten off the ground and for visiting productions from abroad. The Anglo-Saxon population in the Tel Aviv area is estimated at 20,000, Kleiner says.

He is aware that the problem with many public halls in Israel is that their projected use is not defined clearly enough before they are designed, and that they are often forced to accommodate performance forms with conflicting needs. Here, too, the hall is to be multipurpose, but he feels that those conflicting needs can be met, partly through the use of changeable parts in the interior design. (Concerts require hard surfaces; theatre may use a curtain and softer materials in the stage set that absorb sound.)

A modern 24-track recording studio is being installed in a basement room. It will be leased as a commercial studio, but will also have audio lines to the two performance halls, for recording live events.

In addition to the lectures, exhibitions and language classes, Kleiner says they are planning a series of visits by American writers, poets, and artists to be financed by a separate fund, and organized in cooperation with the U.S. Embassy.

Not including development funds, the annual budget is about \$400,000. Most of it comes from the ZOA in the U.S., channelled through the Jewish Agency, and box-office and other local fees. The culture division of the Ministry of Education and Culture has recently begun to contribute a small amount of support, the Tourism Ministry gives a bit, and the Tel Aviv municipality contributes for specific projects.

Activities at the ZOA House divide roughly into half-English, half-Hebrew. But as in any joint project, there are some sources of conflict. "We're registered as an American institution," Kleiner says, and the American funders want "more *hasbara*," more activities directed toward visitors and immigrants. "We want more general culture."

Animal need for kindness

LETTERS, letters, letters. There are so many of them and all welcome, for each is a contact with the only reason for this column: the readers who want to know more about their animals.

This year has been a very prolific one, correspondence-wise. Some of the letters have asked for information and these I have always tried to answer either personally or through the column. Others have been the wonderful ones that shared an experience with a pet, like the lovely recent one in response to the article about the "davka dog," from a reader who has a "davka cat." I enjoyed that letter very much, for I too have had experiences with cats that were just as adept as dogs at "getting their licks in."

Some letters have been critical and these are welcome too, even the ones whose writers do not seem to place enough value on their opinions to sign their names. Obviously, these go unanswered and often straight into the "round file." But one such anonymous letter came that I feel should be answered.

THE WRITER launches a rather vituperative attack against those who "waste their time worrying about cruelty to animals rather than placing their sympathy where it belongs, on people."

This is not an unusual sentiment, and in my lifetime I've heard it expressed in many forms. The basic assumption is that those who care for animals obviously do not care for people. This is, I think, an assumption that one does not have the right to make.

Animal need for kindness

I am not going to defend myself or justify my position by giving any explanation about my relationships with my fellow men. But if this assumed position of the anonymous attacker were well-founded, perhaps he/she could explain how it happened that in Britain, of all places, the Society for the Protection of Minor Children was conceived and established by members of the Royal Society for the Protection of Animals when they became aware that, despite many laws, the British child enjoyed less actual protection than was accorded to animals.

Another point to be taken into consideration is that kindness and compassion are not a fund in a bank account, whatever is withdrawn for one purpose being automatically denied to another. As a matter of fact, real humanitarians, I have noted, have a deep reverence for life in all its forms.

In the world we live in, it is unfortunate that neither man nor animal is granted the solicitude and protection one would wish. Had



Furs, fins and feathers
by D'vora Ben Shaul

I been a sociologist, I should have no doubt been more involved in social issues and less in animal welfare. For that, one may simply thank or blame the forces that made me a wildlife biologist instead of something else.

Animals, unfortunately, have few guardians. People, on the other hand, have quite a number. If you doubt this, then go to the police station and try to report a case of outright cruelty to an animal, and see what happens.

Unless, like some of us, you have learned the ropes and go prepared with printed copies of the law, and unless you know how to insist that the officer you speak to registers the complaint, then you may well be

laughed out of the police station. This happened to me when I was still innocent enough to think that "the law is the law." I am happy to say, however, that in recent years the police have become more cooperative, largely due to the efforts of the Israel Society for the Protection of Animals.

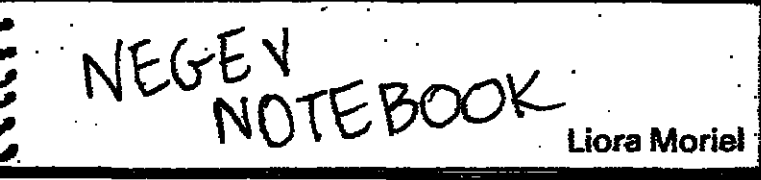
I hope that this explanation is sufficient for the anonymous writer. I know that he or she is someone who cares deeply about things, else why take the trouble to write a letter?

ANOTHER anonymous letter returned me a photocopy of an article I did entitled "Dealing with Ignorance." The reader wrote on the copy, "Excuses, Excuses, Excuses" and went on to say that I was wrong because there were good ignorant people and evil ignorant people, and to ask if I had ever seen a dog die of poison.

Yes, I have. And of other forms of human-invented tortures. This column is not the place for an esoteric discussion regarding good and evil, and even if it were, I doubt if anything I said would convince anyone else. But I, personally, still think that a great deal of the "evil" we see is simply abysmal ignorance. When people do not understand something, they exhibit a remarkable callousness towards it. Animal welfare is no exception.

In any case, thank you for all your letters. If any letters didn't get answered, please accept my apologies. Things do get a bit out of hand at times.

Worth waiting for



NEGEV NOTEBOOK
Liora Moriel

IT TOOK two years, lots of patience and a considerable amount of work and money, but the new, improved Beersheba city map was well worth the wait. It is full of colour and information, and nearly succeeds in persuading the buyer that Beersheba is the centre of Israel, with a map of the country clearly showing that this is in fact the case.

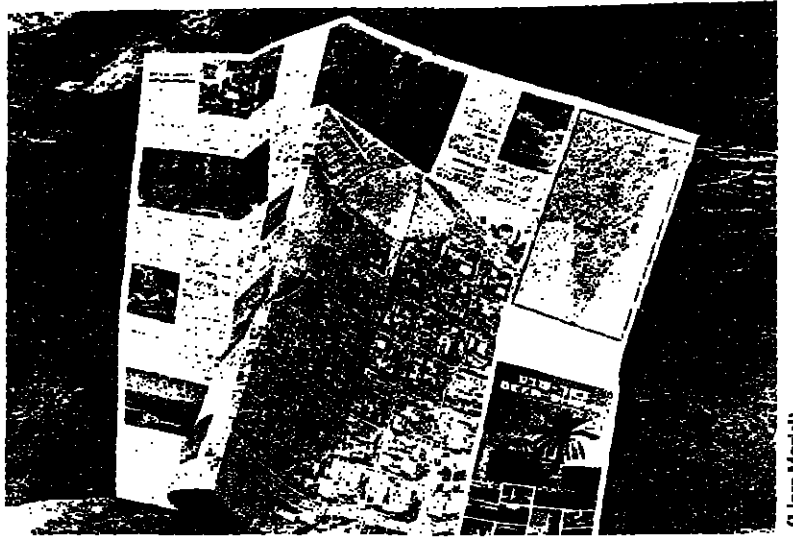
The downtown area (the old city) is given a picturesque three-dimensional treatment that shows trees as well as buildings; Beersheba prides itself on its numerous (though usually small) green areas. A commercial touch creeps in here, with some businesses identified by number, with more details about them on the side.

The map is meant to be functional above all. It was put together by City Hall and funded also by the Ministry of Tourism and the municipal bus company (the city has its own bus service independent of the two

national bus cooperatives). Bus routes are fully marked. There is also valuable information about the frequency and timetable of these buses. The full-colour photographs by Michael Gai, the municipality's computer expert, make the desert metropolis seem attractive and well worth a trip.

DAVID Ben-Gurion's centenary this year was to give a much-needed shot in the arm to the development of the Negev, but there is no state budget for a new settlement there this year and no real plans for any during the next several years. The true pioneers of the region now, ironically, are the once-nomadic Beduin who are settling down in townships.

Very few Jews show interest in coming to the Negev, although there are a few small groups of prospective settlers still to be found. One such group of 15 families is now living on



Kibbutz Sde Boker, where B-G lived and where he and his wife Paula are buried, awaiting the construction of their nearby kibbutz, Kfar David, to commemorate Israel's first prime minister.

But despite a last-minute plea from Shimon Peres just before he stepped down from the premiership recently, there is no money in the national coffers for the project this year. In fact, Eldad Gissin, the southern district director for the Agriculture Ministry and the Jewish Agency, says that there is no need to hurry because social cohesion within the group is more important than

anything else, and that takes time. However, the symbolic significance of this decision has not been lost on another B-G disciple, Education Minister Yitzhak Navon. He lamented the fact that not a single new settlement in the Negev is on the board this year as the country celebrates the centenary of the man whose vision inspired pioneers to move south and make the desert bloom.

Nor are there any settlements planned for next year either. Current plans call for Kibbutz Kfar David to be completed in two or three years.

Spur-of-the-moment man

BEN-GURION was pleased with the name photographer Yitzhak Agor took in Israel. "He looked it up in a big book and found that Agor ben Yachke was a sage whose aphorisms constitute the penultimate chapter of the Book of Proverbs," Ben-Gurion insisted that a new immigrant, starting a new life, should mark the change by adopting a new, Hebrew-sounding name.

But Ben-Gurion was wrong about the biblical inspiration. Though the former Polish Army intelligence officer was no stranger to Palestine - he was here in the late 1920s, a student, consecutively, in the Haifa Reali School and the Tel Aviv "Gymnasia Herzliya" - he was not a scholar. "I was rather a bad pupil. At 16, one begins to appreciate the company of girls. My parents, who lived in Danzig, had to haul me back home, so I graduated from a German language school." His name was then Goldfarb. "I chose Agor on the spur of the moment because it sounded good - it was when the new Israeli currency was introduced, and the *agora* replaced the *pruta*. So I became Agor, not the biblical Agur."

Agor has always been a man of spur-of-the-moment actions. Thus, he was expelled from the Reali school after pushing a teacher out of his room because he didn't like the teacher's instructions. Indeed, he did not regret the row. It was the era when radical youths were being lured by communism with the promise of world peace. Young Goldfarb did not escape it.

He must have been very active in Danzig, for when the city's Senate turned Nazi, influential friends warned the young man that the police were after him. Overnight, he moved to Poland.

"No, Poland was not the country I was born in. My birthplace is Kiev. Somehow, my parents managed to cross the border when I was nine. I returned to Russia with the stream of refugees from Poland." He was back in Poland, however, with the Polish contingent in the Red Army.

Life must have been pleasant enough in post-war Warsaw for a man with acumen, an absorbing job, and the right party card. It was not without its dangers, of course, involving on one occasion, a stint in Berlin under an assumed name. It was in Berlin that his son was born.

THERE AND THEN
Sraya Shapiro

just when Stalin and Tito had their row. "Komar - he was a Jew, incidentally - had to go. And so had all his staff members. Komar was stripped of his rank and his party card. So was I."

Another factor was the emergence of the Gomulka regime. "It was rather liberal, as dictatorial regimes go. But that was interpreted by the Poles as tolerating anti-Semitism again, and the government, too, considered anti-Semitism *de rigueur*. It was hard to find a job in these circumstances; one was thankful for the fact that one remained free."

On the spur of the moment, Agor remembered that he had been rather good with a camera in his youth. "I borrowed a camera from a relative and looked around for a job. Happily, some friends remained in influential positions. I was given a laboratory job in the government press bureau dealing with foreigners. In time I was allowed to take photos which were to be sent abroad. And after Stalin's death, I was reinstated in the party."

Not for long, though. "One day I was asked to show around a visiting Russian professor, and we had some long and very frank talks. He was friendly throughout. But after he left I was directed to accompany a group of East German journalists. And when they intoned their dirge about communism conquering the world, I said, not thinking of the consequences, that Western workers would never accept the sort of regime which goes under the name of communism in Russia."

"My charges smiled, but said nothing. Only friends of mine to whom I related the incident told me I was mad. Didn't I know that they were former Nazis? Inevitably, they complained to the proper authorities, and I was summoned to a hearing by the party. I did not want to apologize, and was expelled from the party for the second time."

THE ROAD away from the establishment in a dictatorship is often tortuous, sometimes dangerous, always protracted. Agor was refused a permit three times when he applied for an exit visa to Israel. "So much depends on the political set-up, on personal connections, on taking calculated risks very, very hesitatingly. How can one live in such stress? One gets used to it." A smile indicates that human adaptability is limitless.

Meanwhile, Agor's son was countering increasing harassment in school because of his Jewish paren-

tage. "Finally, a former acquaintance who was transferred to an important post in the government interceded for me." It took five years to obtain the permit.

Agor easily created a name for himself here as a top photographer of the theatre. "I worked only one year as a press photographer, on the staff of Ha'olam Hazei." As a freelancer he never lacked work.

Now, at 75, however, he seldom takes his camera out. Younger people are bolder, have better contact with younger producers. "So I have plenty of time to read. Photography still fascinates me, but a photographer - perhaps as much as a writer - is not happy unless his work is seen. Taking pictures for pleasure only... well, no. Not me."

ISRAELI PHILHARMONIC ORCHESTRA - Shalom Ronly-Riklis conducting, with Alan Monk, baritone, Joel Bloch, narrator, and the participation of the Tel Aviv Philharmonic Choir, directed by Michael Shani, and the Israel Choir, directed by Avner Tiel (Mann Auditorium, Tel Aviv, November 4). Ernest Bloch's "Avodah Hakodesh" (Sacred Service) for baritone, chorus and orchestra; Schumann: Symphony No. 3 in E flat major (Rishish), Op. 97.

A NEW performance of Ernest Bloch's Jewish masterpiece *Sacred Service* was long overdue, and its inclusion in the IPO's Jubilee season must therefore be heartily welcomed. In view of the overall impression the performance made, Shalom Ronly-Riklis seemed to have fared quite well. The spirit of Jewish liturgy prevailed in all sections of the work, and the atmosphere was solemn and reverential. A few more dramatic moments would, however, have enhanced the performance even more.

The combined choir acquitted itself excellently, showing considerable flexibility in expression and

Overdue pleasure

MUSIC

dynamic shading. Riklis's performance must also be praised for the perfect balance he established between choir and orchestra.

Baritone Allan Monk, in his solo, succeeded in finding the right synthesis of cantorial and concert style, and deserves unqualified praise for his perfect Hebrew diction. His timbre also deserves a warm appraisal but he lacks modulatory capacity, and occasionally one could not escape a certain feeling of monotony. What almost marred the performance was narrator Joel Bloch, whose amplified spoken part was nothing less than a catastrophe. An American accent, wrong cadences and a general misinterpretation of the text should have completely dis-

qualified him for the role. Why he was chosen remains a riddle.

The second part of the concert, Schumann's third symphony, was a painful descent. Riklis seemed to lack even the most elementary scheme of interpretation. He simply allowed the music to carry him along. BENJAMIN BAR-AM

Balta Chamber Music Society Subscription Concert No. 1, The Israel Piano Trio: Alexander Volkov, piano, Menahem Brenner, violin, Marcel Bergman, cello, (Haifa, Beit Haverot, November 1.) Haydn: Trio in A major Hob. XVP; Shostakovich, Trio in E minor, Op. 67; Beethoven: Trio in E flat major, Op. 97 ("Archduke").

RECENTLY Haydn's piano trios, once thought to be of lesser importance, have established themselves as

works with their own personality. The Israel Piano Trio chose the two-movement A major trio as an enjoyable opener to their programme. Clarity and textual accuracy marked the reading of this music, though sometimes the piano part was rather too loud.

The Shostakovich trio, enjoyed by the capacity audience, provided variety to the classic repertoire with the instrumentalists complementing one another in a lively and interesting performance.

However, it was the great "Archduke" trio for piano, violin and cello (in that order of importance) that was the real peak of the evening. Volkov, Brenner and Bergman demonstrated both interdependence and a good rapport in their team work. The conscientiously well-prepared reading allowed the musicians to show their musical and technical prowess, a strength blended with lyricism. ESTHER REUTER



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Transplanted Israeli goes for all the glittering gifts

DAVID HOROVITZ/London

LEAH HERTZ is a drivingly ambitious lady, and she doesn't mind who knows it. She's always had tremendous faith in herself, having finished her law studies in Jerusalem "almost certain that I was going to be prime minister of Israel."

Prime minister she isn't, and she hasn't lived in Israel for donkey's years, but Hertz is still set on a career in politics, having just been selected as a Conservative prospective parliamentary candidate (or PPC as the cognoscenti would have it).

It goes without saying that she is the first Israeli to reach such a position in British politics and, after half an hour in her company, it also goes without saying that she will not be content merely with that record.

A vibrant, forceful woman, Hertz is candid in conversation, with no false modesty, no apologies for her single-minded determination to succeed.

"When I realized that I was going to stay in England, having married and settled down here, it was clear that I wouldn't be able to make it as a barrister," Hertz recalls. "It wasn't a good time for women barristers at all, let alone bloody foreigners, and in any case I didn't want to take all the law exams again to practise here."

"So I started a knitwear company — my parents nearly sat *shiva* — making sweaters in the *shmatra* trade."

Within 18 months, the business was showing a profit, and today Hertz's company has diversified con-

siderably, with dealings in property and numerous other fields.

BY THE time she was 40, as she puts it, "I had enough money, so I went back to school, got a Ph.D in business law, went to Cambridge to do research for a year, and wrote a couple of books."

She's also spearheading the Campaign to Put Women into Public Life, a three-month project aimed at persuading women to apply for jobs they might not have previously considered, stand for public office, and generally involve themselves more in the running of their own affairs.

Oh, she throws in incidentally, she's also a black-belt in karate: "Well, I have to do some exercise, so it might as well be useful." One of her books, *The Business Amazons*, about successful businesswomen, is now into its third edition, and Hertz is also hard at work on *Women in Politics: Are Only Men Destined to Rule?*, which she hopes to have out before the next election.

THIS brings us neatly out of Hertz's daunting array of sidelines and into her prospective mainstream.

She already serves as a councillor in Barnet, but her hopes for a glittering political future lie in Walsall North, a constituency she describes as "something like the Petah Tikva of England," and which she hopes to wrest from Labour when Margaret Thatcher names the day.

Little things like the 2,800 Labour



Leah Hertz... karate black-belt, businesswoman, budding politician.

majority and the widespread dislike for her party do little to deter her. "From time to time there are miracles, and that's what is going to happen in my case," she declares with complete assurance.

"The local party organization is very weak, yet they didn't lose to Labour by much last time. With a good organization the seat is certainly winnable."

Is her husband enamoured of the prospect of a Westminster wife? "Well, I've been with him for 26 years — he'd better feel good about it," she says, no more than half jokingly. "I'm sure he's happy."

Hertz is slightly uncomfortable only when she talks about Israel, admitting that the "tough, pioneering values" she learned as a child have stood her in good stead, and adding that she has no wish "to spit in the well I drank from."

But England, she says, has been very good to her. "I've developed as

a person, and I wouldn't like to be just a recipient. I think it's the duty of every person to contribute, wherever they're living."

Elocution lessons have taken care of much of her Israeli accent, and what little slips into a relaxed conversation at home, disappears the moment she answers the telephone. The people she's met in politics have been "very warm" about her Israeli background, and as for anti-Semitism, she says she's more suspicious of the left wing than the right wing, but hasn't really come across any personal anti-Semitism.

"My personality is such that if a person had any such feelings about me, they wouldn't dare express them," she asserts. Indeed.

"People the world over are nervous of immigrants, aliens. But I've always felt I have a lot to offer, and I've never believed in playing the *mishken* (poor) foreigner. You have to head for the eye of the storm."

Low-budget movie is smash success

DAVID HARRIS/New York

A LOW-BUDGET movie about a young black woman and her three lovers, *She's Gotta Have It*, does not seem the kind of project Hollywood would bet on — but it has become a box office smash in the U.S.

Shot in 12 days, and with an all-black cast, it has met critical success, receiving a standing ovation at the Cannes Film Festival this year.

Spike Lee, 29, who wrote, directed, edited and acted in it, said he had no illusions about the odds he faced when he decided to do such a movie, his first full-length feature film.

It is set in the streets, parks and apartments of Lee's native Brooklyn.

Lee's company, Forty Acres, and Mule Filmworks, produced *She's Gotta Have It* which is now playing in more than 140 theatres around the country. Worldwide film rights — with the exception of South Africa — have been sold and the film will begin to appear abroad early next year.

Sporting a baseball cap, silver-rimmed sunglasses and a sweatshirt, Lee said: "Hollywood a lot of times has these age-old axioms that studio heads think are etched in stone and one of them is that black is death at the box office."

"Unless you have Eddie Murphy or Richard Pryor, forget about black films because you won't make any money."

Lee said he made the film because black people "have been starving" for a film that deals with contemporary black life.

"I made this film specifically for black people. That is not to say I'm excluding anybody else, nor that the film won't appeal to anybody else, because it has," he said.

MUCH OF the appeal lies in Lee's offbeat humour, which works consis-

tently and effectively both through his dialogue and the unusual camera work of cinematographer Ernest Dickerson.

Although the creative challenges were great, Lee said they paled next to the financial ones.

"When we shot this film, we had like \$21,000 to get us through... the shooting period and the rest of the money came in dribs and drabs."

Grants, donations, and the crew's and actors' willingness to defer their salaries up to a year after shooting in July last year allowed Lee to complete the film, which is in black and white except for a short colour sequence.

After processing, editing and paying the crew and actors, *She's Gotta Have It* cost \$175,000 to produce.

Lee said white independent filmmakers like Jim Jarmusch, whose *Down by Law* is drawing big audiences, John Sales (*Baby It's You*) and Susan Seidelman (*Desperately Seeking Susan*) inspired him to strike out on his own.

Lee's immediate family also played a large part in its production. His father, jazz musician and composer Bill Lee, wrote the score, brother David Lee shot the still photographs used to tell portions of the story, and sister Joie Lee plays a former roommate of the protagonist.

Lee said he had signed a three-picture contract with Island Pictures, whose other recent successes include *Kiss of the Spiderwoman* and *The Trip to Bountiful*.

He plans to begin shooting a \$4 million musical about a homecoming at a southern black college in March.

THE explanation for the wide appeal of *She's Gotta Have It* may lie in part in the character of Nola



Madonna in 'Desperately Seeking Susan,' a movie that helped to inspire an unknown to see what he could do.

Darling (Tracy Camilla Johns). Nola is an attractive, intelligent, confident and promiscuous young woman who Lee says is the victim of a double standard defined more by gender than race.

"They're called sluts, whores, prostitutes, nymphomaniacs, and this isn't the case," he said. "Nola's doing what men do all the time and the men are called 'real men.' I think Nola's trying to work out a few things and not have her life imposed upon by anyone else."

Lee plays Mars Blackmon, by far the most eccentric and charming of the three lovers. Mars, according to Lee, is a "B-Boy," a ghetto kid into rap music, breakdancing, graffiti art, basketball, but certainly not a career.

Mars is a guileless character given to repeating statements half a dozen times to make a point.

The second lover is "your really good man, the one that's stable, the one who will make a good husband, a good father, but is kind of boring."

The third, a model, is "the one with good looks and the great body, the one with the most sex appeal but who's probably the most shallow of them all."

(Reuters)

'Wonder of the world' is accused of prejudice

Tory criticism of BBC rebounds

"WHAT NORMAN has done with the Libya issue has been to turn victory into a potential defeat. He has gone completely over the top."

That was the comment of one senior minister this week, as the first specks of dust began to settle on Tory party chairman Norman Tebbit's 21-page dossier of alleged BBC bias in covering the U.S. bombing raid on Libya in April.

The minister's remark reflects a growing sentiment: that the Tories have hit the Beeb a little below the belt; that Tebbit has fallen victim to the traditional government paranoia of media persecution. At the risk of understatement, one might say that the past few weeks have not been among the British Broadcasting Corporation's most glorious.

On three occasions in less than a month, the august institution has been well and truly rocked by the ruling Conservatives. First, just over two weeks ago, the BBC dramatically withdrew from a libel suit brought by two MPs, who had been accused in a 1984 programme of being affiliated with extreme right-wing groups. The case had dragged on for months, and the BBC, throughout, had stood by the charges it had made in the documentary.

At the last moment, though, the corporation backed down, paying



DAVID HOROVITZ

each MP some £20,000 and legal costs amounting to several hundreds of thousands of pounds. The damage was more than financial, however, since it left the *Panorama* reporters concerned with the feeling that they had been betrayed, and lowered morale throughout the organization.

Then, last week, came the real bombshell, as Tebbit came out with his report, charging "anti-government and anti-American bias" in the coverage of the Libya raids, and urging a "thorough reappraisal" of BBC standards.

THE Tebbit dossier was the climax of a long-running battle between the Tories and the BBC, but many observers now feel that he went too far in describing the Libyan reports as "riddled with inaccuracy, innum-

er and imbalance."

Labour leader Neil Kinnock claimed Tebbit was solely out to undermine the corporation's independence: BBC Director-General Alastair Milne rejected suggestions of bias and accused Tebbit of seeking to intimidate; and Kate Adie, whose reporting was attacked at length in the report, said she stood by every word, and added that "there are much greater political stakes being played for here."

The feeling that the Tebbit report was little more than an attack on the freedom of the press has gained added credence in recent days with a third crisis, fuelled by one of the least-liked of Thatcher's ministers, Edwina Currie.

Currie, under-secretary of state for health, has voiced concern that the BBC's hospital soap opera *Casualty* is "a rather inaccurate representation of what happens in an accident and emergency department." "People think the programme is terribly biased," according to a Tory party statement. An "enormous number" of complaints are being received, it went on, because of the show's obsession with health service cash cuts, understaffing, low pay and low morale, and hostility to the government.

Currie threatened that her department would be discussing "any

approaches that might prove necessary," but for many, her seat on the knock-the-BBC bandwagon has proved the last straw.

There was some sympathy for the two MPs, one observer said yesterday, "because, quite clearly, the BBC allegations damaged their careers and the corporation did drop out of the court case."

"But the Libya dossier did more harm than good, reminding people of Tebbit's former tough, crude image. Sure the BBC made mistakes in its coverage, but there was no deliberate attempt at bias. And now, with the complaints about *Casualty*, they are really going too far. You can't start trying to kill all the programmes you don't find entirely to your liking."

Far from gloating over its rival's misfortune, Independent Television has rushed to the BBC's defence, plainly believing that Tebbit's campaign is unlikely to be limited to the BBC.

One ITV chief, Paul Fox, urged BBC head Milne not to "let them get you down" last week. He went on to express a view shared, no doubt, by many millions of the nation's TV-addicts: "British television is one of the wonders of the world. It is time that people in authority said so publicly, instead of trying to belittle and demolish it."

Chicago crime gang accused of bidding for Libyan contract

William C. Hidlay / Chicago

FOUR MEN accused of offering to work as terrorists for Libya are members of El Rukn, a well-organized street gang that the authorities say espouses Islam while dealing in narcotics and violence.

"They are what you'd call non-traditional organized crime," Federal Bureau of Investigation spokesman Bob Long said when the gang members' alleged terrorist-for-hire plot was disclosed last week. "You've got people who are organized and they commit crimes, but they're not what you'd consider a traditional organized crime group like La Cosa Nostra."

El Rukn's imprisoned leader, Jeff Fort, and three other gang members, were indicted on charges that they contacted Libyan officials and offered to launch terrorist attacks inside the United States for money.

"It appears the El-Rukns were interested in building a war chest," said Long. "They offered to do whatever the bidding of Libya might be, though nothing actually came of the plot."

FEDERAL and state authorities say the scheme exemplifies the El-Rukn's evolution from a small gang of black toughs, who banded together on Chicago's gritty South Side 20 years ago, into an organized force of 200 to 300 members.

In the past, gang members have been convicted of drug trafficking; and earlier this year three reputed leaders were convicted of murder in the slaying of members of a rival gang and a drug dealer.

"They're still one of the major forces in narcotics trafficking on the South Side of Chicago," said Ernie Dibenedetto of the Cook County state attorney's office. "This is a tough group to penetrate because they have the South Side so intimidated, they threaten witnesses, and they've had almost free rein."

JEFF FORT, 39, is in the federal prison at Bastrop, Texas, on a drug conviction. The U.S. District Court indictment alleges that he was involved in the terrorist conspiracy with Melvin Mayes, 29, Alan Knox, 35, and Trammel Davis, 34, all of Chicago.

The four are charged with conspiracy, possession of weapons and use of interstate facilities to commit crimes.

ACCORDING TO Long, members of El Rukn initiated the contact with Libyan officials in March, about the time that President Reagan accused

Libya of backing a worldwide terrorist campaign.

Long said undercover FBI agents posing as black-market arms suppliers developed information about the plot when they sold several gang members a light anti-tank weapon that didn't work.

The weapon was recovered in a raid early in August on the gang's South Side headquarters that yielded more than 30 weapons, including three submachine-guns, rifles, shotguns and pistols. These, said Long, were being stock-piled for use in terrorist attacks.

THE GANG, which has several hundred members, traces its origin to the Blackstone Rangers of the 1960s, said Dibenedetto. The Rangers originally were a small gang of young blacks involved in selling drugs and intimidating people. In the late '60s, the group recruited other South Side street gangs into a loose confederation with Fort as president, and a governing council comprised of leaders from 21 different gangs.

After Fort had served a federal prison sentence for misappropriating funds from a jobs programme, he reorganized the gang into El Rukn in 1976, Dibenedetto said. In the past, he has maintained that the group is a religious sect.

(Associated Press)



President Alan Garcia waves after being sworn into office in 1985.

guerrillas and government forces there has cost nearly 8,000 lives since 1980.

Sendero denounces elections as a farce and no candidates are standing in 45 districts, mainly in the emergency zone, where fear exists of guerrilla reprisals, national electoral officials say.

IU stresses it has no links with *Sendero* but in Huancayo its leading campaign issue is alleged human

rights abuses in the counter-insurgency campaign in the emergency zone, 35 kilometres away.

Slogans such as "stop the genocide" and "we are against massacres" adorn walls in the city.

Human rights organizations, including London-based Amnesty International, have accused government forces of summary executions in the anti-rebel offensive, though

they say that abuses have diminished under the Garcia government.

PLAYING on regional pride, Apra's main campaign theme is Garcia's September 15 suggestion that the government move Peru's capital to the Mantaro Valley, where Huancayo is located.

The proposal, largely ignored elsewhere, is hammered home by Apra candidate Ricardo Bojorquez whose posters stress: "The Mantaro Valley, capital of Peru."

Set at an altitude of 3.3 km., Huancayo has a population of 225,000 people and is the biggest city in the central Andes.

Garcia said the transfer of the capital would recognize that Peru's cultural, historical and geographical axis was in the Andes, not on the coastal desert, where Lima is located.

A city of six million people, Lima concentrates 70 per cent of Peru's economic output and continues to draw Andean migrants who are the left's leading source of strength there.

But because it harbours nearly all the country's affluent middle class, a right-wing candidate has a strong chance of ousting Marxist Mayor Alfonso Barrantes.

Voting is mandatory for the 8.5 million-strong electorate in the country's 180 provinces and 1,755 districts.

Fear of *Sendero* reprisals has led officials in Puno, an Andean state near the Bolivian border, to ask that voters there be exempted from the legal requirement that they dip their fingers in indelible ink — a national measure aimed at preventing electoral fraud through repeated ballot casting.

"Voters remember that *Sendero* threatened to chop the fingers off any voters whose hands showed indelible ink in Ayacucho (in general elections in 1985)," an electoral official said.

(Reuters)

Peru goes to the polls

WALKER SIMON/Huancayo, Peru

A COMMUNIST mayor with a benevolent smile cradles a baby in his arms in election posters proclaiming "the future is ours."

Peru goes to the polls Sunday for countrywide municipal elections and the slogan symbolizes the aspirations of the United Left (IU) coalition that it can eventually win national power through the ballot box, like Salvador Allende in neighbouring Chile in 1970.

The Marxist-led IU aims to erode the popularity of President Alan Garcia's social-democratic government and its hopes for success are greatest here in the predominantly Indian Andes.

The polling has taken on a disproportionate importance because it is the first electoral test of Garcia's American Popular Revolutionary Alliance (Apra) government. It will also be the last until municipal elections in November 1989 on the eve of a general election to replace Garcia in 1990.

The IU, the strongest legal Marxist force in South America, has a quarter of the seats in congress and is campaigning vigorously.

While it faces an uphill battle on the Pacific Coast, where the capital, Lima, is located, its prospects for victory are greater in the highlands, public opinion surveys suggest. It

has a strong following among peasants and miners whom it has organized through decades of work.

Garcia has concentrated his campaigning in the Andes, where the IU controls City Halls in nearly all state capitals.

"It is in the Andes, which make up nearly half the population of the country, that the clash between IU and Apra is clearest because the right has hardly any following there," political scientist Fernando Tuesta said.

APRA-IU tensions have been most bitter in Huancayo, where a communist student was killed when hit in the face by a bullet in a clash between rival student bands on September 24. Another lost a hand when a stick of dynamite exploded.

Communist Mayor Juan Tutuy's campaign posters are plastered on adobe walls along streets crowded with Indian women peddlers, wearing black felt hats and traditional multicoloured shawls.

They are mostly from barren Andean regions.

Some are refugees from military-run "emergency zones" of nearby Huancavelica and Ayacucho states, the cradle of the radical Maoist *Sendero Luminoso* (Shining Path) guerrilla insurgency. The battle between

مكتبة الأمل

Chinese leaders debate:

How far down the capitalist road?

PEKING (Reuters). — China's Communist government is debating one of the most sensitive issues raised since leader Deng Xiaoping began his reform drive seven years ago: What should be the limits to private ownership?

While Marxism aims to abolish private property, private enterprise has increased in China in the past few years. And if a private tailor's shop is permissible, why not a privately-run factory with hundreds of workers?

China's service industries have been virtually taken over by private businessmen, who employ scores of workers, and offer higher productivity and better service than state-run competitors.

Communist leaders differ over how far the reforms should be allowed to go, but they are united in their view that China will not return to capitalism. "If China embarks on a capitalist road...it will bring calamities for mankind," Deng said in April.

The communist authorities clearly intend to make sure that the state retains its dominant position in the economy, while giving freer rein to

private initiative and enterprise. Some officials admit that private ownership can be more efficient than state management.

"The most efficient way to run big state firms would be to sell them off to managers responsible for all production, profit and loss," said an official in a state soft drinks firm.

"But, if they did it very well, they would become very rich, attract envy from others and cause great social friction. What is socialism if it does not mean ownership of means of production?"

The biggest headache for Deng's reformers is how to improve thousands of over-stuffed and inefficient state firms that eat up government subsidies.

"There is a wide range of opinions among Chinese economists on how to raise the productivity of these firms," said Chen Dongsheng, a top economist with the elite Chinese Academy of Social Sciences.

"Technically, the factories belong to the whole people. That means each worker owns one-billionth of it, which in practice means not at all. Selling shares to workers has proved

a good way to motivate them," he said.

Thousands of firms, mostly collective and some state-owned, have sold shares to their workers in the last two or three years. The share issues have helped raise funds for enterprises and have stimulated productivity and a greater feeling of involvement in the fate of the firms, the official press says.

However, a Western diplomat says the shares gives holders the right to a voice in management but not a share in ownership in the classical capitalist sense.

Writing in the *People's Daily*, one economist at Peking University proposed that all state firms except those in key sectors like coal, steel and power be sold off to individuals or collectives or as joint stock companies.

But the diplomat said China was likely to move cautiously in this area, with the state likely to retain 51 per cent ownership in big firms if they were sold.

The Chinese press has praised share-issuing as a way to make better use of idle capital and motivate workers but has stressed it is quite

different from capitalist stock issues, because its owners are all labourers and speculation in shares is forbidden.

A World Bank report last year said China must abandon state monopolies and let entrepreneurs, collectives and individuals to do business legally and profitably.

"The Soviet Union, Yugoslavia and Hungary have all found that making individual activity illegal results in a tremendous amount of illegality, bribery and corruption, waste of working hours and theft of state property," it said.

The bank warned that a long history in communist China of discrimination against small collectives and individual business activities had made people nervous of taking them up.

An East European journalist said other communist countries were carefully watching China's reforms in the area of ownership, especially in shares.

"The government here is pragmatic, not dogmatic, and wants results, but share-issuing is still considered heretical in the Soviet bloc," he said.

Not duty-free, but there are discounts

By MICHAEL YUDELMAN

Jerusalem Post Reporter
TEL AVIV. — Amidst the attractive displays of After Eight Chocolates, Martell cognac, fur coats, Nina Ricci perfumes and other pricey items generally bought by people who don't worry about overdrifts, it is hard to imagine there would be many bargains.

But Solly Sakal, who offers these as well as a wide range of other luxury goods usually found on the shelves of duty-free shops, says he can sell them at prices between 6.5 per cent and 50 per cent of his competitors. That hardly makes them inexpensive by conventional standards, but it might justify a trip to Tel Aviv's Textile House, close to Jaffa, where Sakal has set up shop under his name.

The duty-free ambience at Sakal is not entirely accidental. Sakal says he had intended to open a duty-free shop in the middle of Tel Aviv for the exclusive use of tourists and the diplomatic community who could get a refund for duties they paid when they left the country. The government refused him a permit, at least for the time being, so for the moment, all he can offer is a refund on their value-added tax when they leave the country through Ben-Gurion Airport.

And, to maintain a degree of exclusivity, Sakal will only be open to tourists, the diplomatic community



Sakal at Textile House: 750 square metres of luxury goods.

(Andre Brutsman/Media)

and Israelis who belong to a club he has organized. Israeli membership, he says, will be limited to travel agents' hotel executives and journalists, all of whom Sakal expects will help him lure tourists, his main target, to the store.

"Our advantage is our experience in the products we sell and our being representatives of several electronic companies at duty-free shops," Sak-

al says. "We will be able to advise our members and clients how and what to buy. We also intend to organize events such as folklore performances and fashion shows for members...with the municipal tourism association."

Sakal says he can offer lower prices despite the expensive overhead of his 750-square-metre store, because of his experience and con-

nections in the duty-free shop business.

"We persuaded all the companies and suppliers who import our products to participate in the operating costs of the store," he explains. "They contribute some \$20,000 a year in advertising, maintenance, promotion and low whole-sale prices." He also claims to keep his profit margins low.

THE TAX BURDEN/Jeff Broide

Benefits from abroad

It is now more than six months since this tax column was introduced, and it would seem appropriate to make some comments as to the numerous questions we receive from readers. In a column of this nature, it is generally possible to deal only with matters of general interest and not personal or specific problems. It is intended as a general guide; therefore appropriate professional advice and guidance must be sought before any action. This column does not (nor is it intended to) replace the latter.

If a taxpayer uses one room of a four-room apartment for his business or professional practice, it would seem reasonable to deduct 25 per cent of home-related expenses.

Finally, very often in tax matters — and particularly in tax planning — opinions expressed may differ among professionals, or more specifically, there may be a divergence of opinion with the tax authorities. All these must be reckoned with!

Q. Since I work part of the time from my home, our accountant deducts part of the expenses on our apartment — in a proportionate way — from our income due. In the light of what you write, should not the entire amount of municipal tax (arona) rates paid be deducted? (U.K., Haifa)

Your question refers to the article on "Trimming Taxes While Taking on Tenants" (August 9) which, in fact, dealt with income earned from renting out residential dwellings, your question relates to the running of a business or practice from one's home, in which case a reasonable proportion of home-type expenses may be deducted for tax purposes.

The proportion is usually based on the extent the home is used (for business purposes). For example, if a taxpayer uses one room in a four-room apartment for his business or professional practice, it would seem reasonable to deduct 25 per cent of home-related expenses, such as electricity, water, *va'ad bayit*, *arona*, maintenance and rental.

Therefore, your accountant has correctly allowed a proportionate amount of the *arona*.

Q. In view of the fact that I "paid my dues" to two countries (U.S. and Israel), can I receive Social Security payments from the U.S. as well as from Bituah Leumi? Would my U.S. Social Security payments, sent to me in Israel, be subject to Israeli income tax? Would a U.S. Social Security disability pension sent to me in Israel be subject to income tax, and would it in any way affect the Bituah Leumi payments due to me when I reach the age of 65? (G.B. Jerusalem)

Special tax provisions exempt from tax Social Security

payments received from a foreign country, provided that the income was not liable to income tax in the country where payment is made (and not exempt by virtue of a double tax treaty). I understand that U.S. taxes are not levied on such payments, unless they exceed a fixed amount, and, therefore, they would be exempt in Israel as well. The law also exempts from income tax disability pensions paid by a foreign state in terms of such state's laws.

Generally speaking, the pension from Bituah Leumi is payable at the age of 70 for men and 65 for women. However, where the insured reduces his or her job involvement and whose income does not exceed certain amounts (at present NIS 456 monthly for an individual and NIS 611 for a couple) then they may be entitled to earlier pensions. The minimum excludes overseas pensions payable under foreign law or under an overseas work contract, among others.

I am unable to express an opinion as to the ramifications on your U.S. Social Security payments.

Q. Could you please advise whether a private pension from Britain is subject to income tax in Israel if not received here or, alternatively, subject to tax here only if received in Israel. Is any relief available under the British-Israel Double Tax Convention? Lastly, is there an inheritance tax in Israel? (H.D. Kfar Sava)

A. Income tax is generally levied on income arising in, derived from or received in Israel. An overseas pension neither arises in, nor is derived from, Israel, and, therefore, the matter of receipt is of the utmost significance. According to the foreign exchange control regulations, a new immigrant may refrain from transferring assets held overseas to Israel for a period of 20 years. Therefore, based on a strict reading of the law, a pension received abroad from an overseas source and held to the pensioner's credit abroad, has not been "received in" Israel and would, in my opinion, be exempt from tax thereon. However, if the pension is received in Israel, it would be liable to taxes here.

The question and answer above are also pertinent here. It should be noted that the income tax laws exempt new immigrants from income tax on income received from overseas during their first seven years in Israel (but, at the Treasury's discretion).

The British-Israel Double Tax Convention provides that if the recipient of the pension is liable to tax on any income in his place of residence, then the country from which such pension is paid will not levy income tax on it. It is important to point out that the new immigrant may greatly reduce the tax burden on pension income from Britain during his first seven years in Israel.

And finally, believe it or not, there is at present no inheritance tax in Israel.

The writer is a Certified Public Accountant (Israel). Questions may be addressed to him c/o The Jerusalem Post.

Fortifying Jerusalem's economy

By AARON SITTNER

Jerusalem's status as the country's biggest city, its capital and a site venerated by Judaism, Christianity and Islam alike has not raised it above the mundane problems of jobs and investment. Indeed, Jerusalem's economy is very weak and threatens the city's future development.

So concludes a recently published report by a specially appointed committee that studied possible measures for strengthening Jerusalem's economy.

The report, prepared by Dr. Meir Heth, former chairman of the Tel Aviv Stock Exchange, and planning expert Ze'ev Barkai, notes that personal income of Jerusalem residents is on average, about 20 per cent below that of their counterparts in Tel Aviv, Haifa, Holon, Petah Tikva or Bat Yam. Another prime economic indicator, the number of automobiles per thousand population, shows Jerusalem lagging far behind these five cities.

All of this is no coincidence, says the Heth report, which was commissioned by Peres, who as prime minister appointed a high-level committee to recommend ways of improving the implementation of the 1980 Basic Law: "Jerusalem, the Capital of Israel."

Not only is there a lower level of income in the city, but fewer Jerusalemites, on the average, belong to the city's labour force. And among those who do hold down a job, no fewer than 44.4 per cent work in the public-service sector, such as universities, hospitals and non-profit organizations. Nationwide, the proportion of the population with public-service jobs is 30 per cent.

Since the public-services sector is hardly expanding today, community-wide disposable income has become frozen along with almost a zero growth in the tax base.

The stunted tax growth means not only inferior municipal services, but is also a clear obstacle to the development of Jerusalem's new suburbs. "The capital's ability to attract vitally needed new investment is being dealt a severe blow by the



"The capital's ability to attract vitally needed new investment is being dealt a severe blow by the weak state of the city's economy," says the report.

Like several earlier studies of Jerusalem's economic problems, this one recommends a series of organizational measures as "long term" solutions.

However, the Heth report also introduces three new ideas. First, it calls for amending the Basic Law on Jerusalem, by delegating executive power to three specific cabinet members: the prime minister, and the ministers of the interior and finance.

"These three," recommends the report, "should be solely responsible for implementing the law and set the necessary measures in motion."

The report continues: "The regular budgetary grant to the capital, a fixture in the State Budget, should be increased by NIS 7m. annually."

"In addition, the government

should start implementation of the so-called equalization grant as recommended by the State Commission on Local Government Affairs [the Sanbar Commission]."

The equalization grant is calculated as the difference in the cost to the Jerusalem municipality in providing "a standard basket of municipal services" to its citizens, and the municipality's income from its current revenue sources.

"The grant should be automatically calculated and executed, without negotiations from year to year," says the report.

Admitting that cost-estimating the "standard basket" is not simple, the report suggests that, first, the Interior Ministry's funding and budgeting division draw up its estimate. Following this, an outside economic consultant would draw up a parallel estimate.

"On the basis of these two assessments, the government should launch the equalization grant scheme, and as early as the 1989/90 fiscal year," the report states.

Besides these budgetary moves, the Heth report calls for establishment of a public Jerusalem Development Authority that would in effect be a half-government, half-Jerusalem municipality organization.

It would be responsible for preparing a long-term plan for developing the basic municipal infrastructure for public services, including roads, sewers and water supply. The plan would have to limit itself to the funds available but would set the necessary priorities. It would also seek to eliminate work duplication among the various municipal corporations already in existence and consolidate agencies dealing with investment in Jerusalem.

Apparently recognizing that wresting funds from the government is no simple matter, the report also recommends the establishment of a "Jerusalem Corporation" whose sole aim would be to raise new money — in the country and overseas — to help fill the city's impoverished coffers.

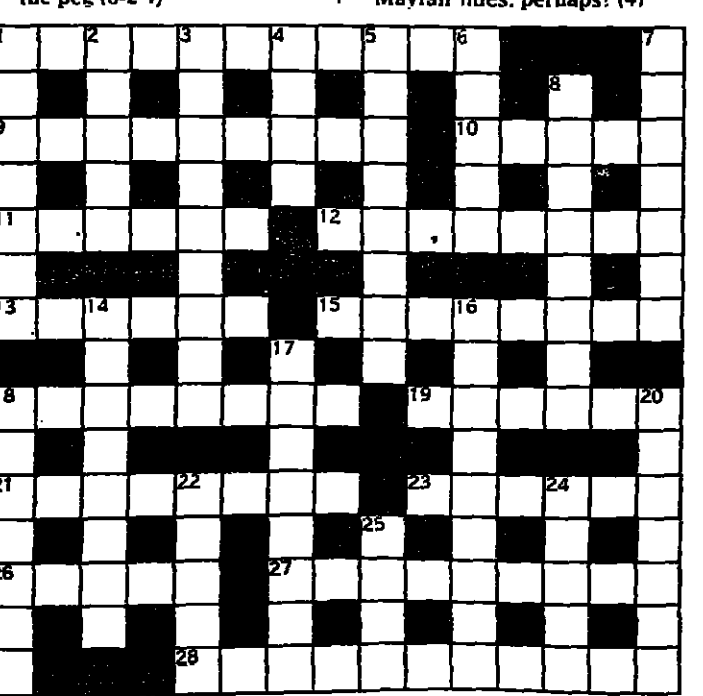
ONE-ON-ONE CROSSWORD

ACROSS

- 1 Barefaced channel-saver, possibly (5-6)
- 9 As changeable as a barometer? (9)
- 10 Icons broken with a sort of bang (5)
- 11 Carelessly producing cry of pain at a New York hospital (6)
- 12 No title for a man of war? (8)
- 13 Convivial get-together (6)
- 15 Boston bun-fight (5-5)
- 18 This anniversary can be out by a third (8)
- 19 Wild dances rise in pitch (6)
- 21 Plucky way to remove an imperator? (8)
- 23 Midnight walk is a risk (6)
- 26 Talismans know no bounds here in Berkshire (5)
- 27 What caused it to burn down? The cigars, perhaps? (9)
- 28 Prepared to tolerate things off the peg (5-2-4)

DOWN

- 1 Scope for boxing? (7)
- 2 Forward nobleman Darnley, finally (5)
- 3 Pen author damaged, being a nerve type (9)
- 4 Holyhead tune that grows on one (4)
- 5 Countryman having a beer after 6.30 (8)
- 6 Curious Japanese drama? Yes, in a way (5)
- 7 Ill-gotten gains? (4-3)
- 8 Small-time sort of place, having a single mount (5-5)
- 14 Vehicle at speed could be a hard-top (8)
- 16 Haiti cops sent out to find nut (9)
- 17 Bugs I found in cabaret production (8)
- 18 Belfast where 50 swell to 500 but not allowed to rise any more (7)
- 20 Does she clean out Davy Jones's locker? (7)
- 22 When to eat piece of chocolate rectangle? (5)
- 24 Club taking His Excellency for a dip (5)
- 25 Flexible and strong-on Mayfair lines, perhaps? (4)



GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Zariati, Gilo, opp. park, 788943; Saleh, Salah Eddin, 272315; Shu'afat, Shu'afat Road, 810108; Dar Al-Awda, Harod's Gate, 282058.
Tel Aviv: Briut, 28 King George, 283731; Bass, 66 Frishman, 237326.
Netanya: Kupat Holim Meuhedet, 13 Harav Kook, 44665.
Haifa: Hanassi, 33 Sderot Hanassi, 333312.

DUTY HOSPITALS

Jerusalem: Hadassah Ein Kerem (pediatrics, ophthalmology) Bikur Holim (internal, E.N.T., Shavei Zedek (obstetrics, surgery, orthopedics), Ichilov (internal, surgery).
Netanya: Laniado

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Dial 100 in most parts of the country. In Tel Aviv dial 524444, Kiryat Shmona 4444.

FIRE 102

In emergencies dial 102. Otherwise, number of your local station is in the front of the phone directory.

FIRST AID 101

In emergencies dial 101 in most parts of the country. In addition:

Ashdod 41333 Jerusalem 523133
Ashkelon 23233 Kiryat Shmona 44334
Bat Yam 5511111 Netanya 523333
Beer Sheva 74767 Nahariya 523333
Carmiel 988555 Petah Tikva 4231111
Dan Region 781111 Rehovot 451333
Elitz 7233 Rishon LeZion 942333
Hadera 22333 Safed 30333
Haifa 512233 Tel Aviv 240111
Holon 821333 Tiberias 59111
Mobile Intensive Care Unit (MICU) service

In the area, around the clock:

"Erat" — Emergency First Aid, Tel: Jerusalem 227171, Tel Aviv 261112, Haifa 672222, Beer Sheva 416111, Netanya 35316.
Rupe Crisis Centre (24 hours), for help call Tel Aviv, 234819, Jerusalem — 245554, and Haifa 8871.
Jerusalem Institute for Drug Problems, Tel. 683828, 683902, 14 Bethlehem Rd.
The National Poison Control Centre at Rambam Hospital, phone 04-522225, for emergency calls, 24 hours a day, for information in case of poisoning.
Kupat Holim Information Centre Tel. 03-43200, 432900 Sunday, Thursday, 8 a.m. to 8 p.m. Friday 8 a.m. to 3 p.m.

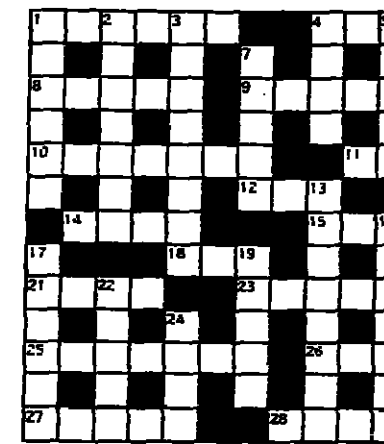
FLIGHTS

24-Hours Flight Information Service: Call 03-5712484 (multi-line). Arrivals Only (Taped Message) 03-581111 (20 lines)

QUICK CROSSWORD

ACROSS

- 1 Transposed
- 4 Rambles
- 5 Sharp-pointed
- 9 French bean
- 10 Welsh oval boat



DOWN

- 1 In short supply
- 2 Not siding with either party
- 3 Study in music
- 4 Common
- 5 Ghana's capital
- 6 Stitch
- 7 Comfort
- 13 Guitarist's quill
- 16 Presage
- 17 Foam
- 19 Song of mourning
- 20 Blot out
- 22 Reddish dye for hair
- 24 Whirlpool

Yesterday's Solution

1. Righting, 2. Paper, 3. Peric, 4. 9, 5. 18, 6. News, 7. Stock, 8. Follow, 9. Broker, 10. Allied, 11. Ref, 12. Inn, 13. Eternally, 14. Under, 15. Gardener, 16. Ripen, 17. Gradual, 18. Tasty, 19. Spry, 20. Cracker, 21. Placard, 22. Collier, 23. Furious, 24. Kremlin, 25. Peseta, 26. Anode, 27. Foyer, 28. End.

QUICK SOLUTION

ACROSS: 1. Righting, 2. Paper, 3. Peric, 4. 9, 5. 18, 6. News, 7. Stock, 8. Follow, 9. Broker, 10. Allied, 11. Ref, 12. Inn, 13. Eternally, 14. Under, 15. Gardener, 16. Ripen, 17. Gradual, 18. Tasty, 19. Spry, 20. Cracker, 21. Placard, 22. Collier, 23. Furious, 24. Kremlin, 25. Peseta, 26. Anode, 27. Foyer, 28. End.

FOR SOME ELDERLY, THE GOLDEN YEARS CAN LOSE THEIR LUSTRE.

But — you can help brighten up their lives. Through your generosity, The Jerusalem Post's For Some Elderly Can Lose Their Lustre can help the country's less fortunate elderly lessen the burden in their latter years. Your contributions go a long way —

A sparkling social life! The Fund supports and maintains day care centres, where our needy elderly can spend their time in a happy, social atmosphere, with arts and crafts, entertainment and leisure.

The For Some Elderly Can Lose Their Lustre Fund ensures their "home away from home" has furniture, equipment and games, and is maintained, heated and kept clean.

A glittering smile! Your contributions help subsidize dental care for needy elderly who would otherwise not be able to afford proper treatment.

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A warm glow on a cold evening! The For Some Elderly Can Lose Their Lustre Fund supplies heaters, blankets, pyjamas, mattresses, bedding and warm clothing — desperately needed during the cold winter months.

Bring a little comfort into their homes! Many of Israel's elderly people live in sub-standard homes that urgently require repair or renovation, as well as security measures such as locks or beepers.

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MARKET PLACE

AVI TEMKIN

A wrench in the works

Some weeks ago car owners started getting in their mail the forms for the payment of the car tax. They were told by the government that if they agreed to pay the tax in one installment in December they would get a 15 per cent rebate. Otherwise the levy would have to be paid in four equal monthly installments.

What this means is that the government is in fact giving car owners credit for the payment of the levy on their vehicles. One can regard the December payment as the levy for which they get a delay or credit; and the four installments as the repayment of such credit, with an interest charge on it. In fact anyone calculating such interest would find that the government is charging a rate as high as 12 per cent a month, or 300 per cent in annual terms.

This week Bank Hapoalim showed it knew a profit opportunity when it sees one. The bank announced that it was willing to pay the car levy in one installment to the Treasury for anyone joining a special arrangement. Car owners would then pay the bank the monthly installments with a rebate of 9 per cent, leaving the bank with a real profit of about 3 per cent, or 40 per cent in real terms.

What has happened is that Bank Hapoalim wants a slice of the easy and large profits which the government was expecting from the exorbitant interest rate it is charging on the car levy.

This is only one example of what economists call financial innovation. Finance ministers and central bankers tend to dislike it very much. In technical terms financial innovation is defined as the introduction of new financial schemes or new assets by individuals and businesses to take advantage of profit opportunities created by changed conditions.

Central bankers and ministers dislike financial innovation because they change the economic environment they are trying to manipulate. Usually they expect the economy to respond to changes in policy in a certain way, basing themselves on the assumption that "everything else will remain constant." But financial innovation disrupts such assumption. Thus, instead of getting 12 per cent interest rate, they have to share the profit with a commercial bank.

But the car tax is only one example of a much broader range of phenomena taking place which financial innovation is trying to change. Thus, when central bankers want to curb credit or demand they think in terms of interest rates or in terms of ceilings. What happens is that the rise in interest attracts new entrepreneurs looking for high profits. New ways of lending and borrowing are created. This is financial innovation. It produces not only new ways of investing, but also a rise in the quantity of securities and credits existing in the market.

Naturally the most potent signal for a change of conditions in the financial markets is interest rate. As in the case of the car levy a high interest rate will call for new elements trying to get a slice of the pie for themselves. This of course greatly limits the capacity of central banks to curb credits, control monetary variables or whatever central banks think they can do.

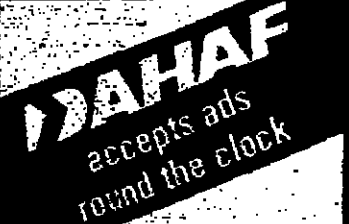
Thus the next time the central bank thinks it needs to raise the interest rate it would be well advised to look at the forms received by the owners of cars last month. Maybe this will teach them there are powerful limits to what they can achieve.

Railways to buy cars from Spain

Israel signed a \$4 million barrier agreement with Spain on Tuesday for the acquisition of 69 railroad cars to be used in transporting coal from Ashdod port to the new power plant in Ashkelon, Israel Railways said. In return, Israel will send locally made products to the Spanish government.

Each coach has a capacity of 66 tons, and together they will be able to carry 2.5 million tons of coal per year, the railway authority said. An Israeli company is to help in making the cars.

The first coach is scheduled to arrive in seven months.



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Despite rumours of impending purchases

2 firms stay in state hands

No offer was made for Zim

By YA'ACOV FRIEDLER
HAIFA. — "Zim Navigation Co. is not for sale. We know nothing about a group of foreign investors coming to look the company over with a view to a possible purchase," a reliable shipping industry source, told The Jerusalem Post yesterday.

He was commenting on an announcement by Transport Minister Haim Corfu that a group of unnamed investors were interested in buying Zim, in addition to another group who want to buy the El Al airlines.

The source noted that unlike the wholly owned airline, the government owns only 40 per cent in Zim and could not by itself sell the company. The major shareholder, the Israel Corp., headed by the Shaul Eisenberg group holds 50 per cent "and we have had no intimation that they have any intention of selling out the source said."

The Histadrut, which owns the remaining 10 per cent, has also given no indication that it wished to sell off its stake, which it has held, in greater or lesser portion since it helped found the company 40 years ago.

"At best therefore Corfu can put up the government's share for sale, if he gets the government's agreement," the source noted.

Other shipping sources here also

did not lend great credence to the minister's disclosures on the subject, which he has been making from time to time for the past three months. They said Corfu's statements were aimed at showing that his ministry was taking an active part in the shipping industry, in lieu of a clear cut policy, which sources said the industry sorely needs.

Corfu first brought up the possibility of foreign investors requiring Zim at a press conference here last August. But when asked whether he could offer any details, the minister said it was more a case of "serious investors" expressing interest.

The last purported bid to buy the company, which quickly came to nothing, was made by a senior officer of the Israel Corp who has since left the company. It was never taken seriously.

Zim has for the second year in a row posted an operating profit, following three years of heavy losses, and there would therefore be little incentive for the Israel Corp. to sell out at this stage, after weathering the losses. Zim must reschedule its \$400 million in medium- and long-term debts in order to free capital for investment in a fleet modernization. The government has yet to take a position on this matter.

Asked to comment on the latest report of a muted purchase by investors, the company spokesman told The Post, "This is a matter exclusively concerning the owners in which the Zim management does not intervene."

Gov't gives thumbs down to El Al deal

By JONATHAN KARP
For The Jerusalem Post

The government has rejected a \$316 million offer to acquire the assets of El Al, but it is still ready to sell off the debt-ridden national airline if presented an acceptable bid, government sources said yesterday.

The latest offer was made by a group of American and Canadian Jewish investors headed by financier William Belzberg, a source close to the deal indicated to The Jerusalem Post. Belzberg was unavailable for comment yesterday, but his spokesman in Los Angeles, Sidney Green, said he knew nothing about the proposal.

A government source said the deal was turned down because the price was unrealistic. The government estimates El Al's value at approximately \$800m, although the investors did not offer to purchase the airline itself but its assets, with the understanding they would be leased back to El Al.

Thus, the new management would not assume the airline's estimated \$340m debt.

"The government apparently decided that the cost of operating El Al was much less than the cost of accepting the offer," a source in the Finance Ministry said. He said the \$316m offer was studied by a committee of Transport and Treasury officials, which presented a technical evaluation to the Transport Ministry a few days ago.

El Al has been in receivership since December 1982, but through streamlining its operations and with the help of profitable charter service, it has improved its financial situation.

An industry source pointed out that El Al had reduced its net losses over the last year.

Paper Mills forming joint venture

American Israeli Paper Mills Ltd. said it is forming a 50-50 joint venture with Carmel Container Systems Ltd. to make and market packaging.

Under the accord, the packaging-product operations of the Paper Mills subsidiary Dafni Packaging Systems Ltd. and the Carmel's Micromarton Ltd. will be transferred to the new venture, C.D. Packaging Systems Ltd.

The venture will be capitalized at \$6 million, Paper Mills said, of which \$4.5m. will go towards building a plant and purchasing equipment.

Paper Mills did not say what kind of packaging products C.D. would be producing, but said it would be manufacturing for the local as well as export markets.

BUSINESS BRIEFS



Dov Peleg

Peleg: Histadrut pension funds in sound shape

TEL AVIV (Jtm). — Dov Peleg, chairman of the Histadrut's Social Security Division, told a press conference yesterday that the trade union's five pension funds do not face financial difficulties for another generation or more.

"There are no problems in terms of the actuarial situation of the Histadrut pension funds. For the next 20 to 25 years it will be okay, thus we should go ahead with plans to merge them."

Peleg said merging the funds would reduce risks, prevent unnecessary competition among them, reduce costs and strengthen management. He stressed there would be no change in pensioners' rights after the unification, except for those who joined after the move.

He said pension officials were now discussing the merger with work committees, insurers and other interested parties. "We want to convince everyone and not use the authority of the Histadrut."

SHAMIR INSURANCE CO. reported a NIS 773,000 profit before taxes in the first half of 1986, compared with a NIS 831,000 profit for all of last year. On a protracted basis, the insurer said, the first-half results represented an 86 per cent rise, from a year earlier.

Income from premiums for the first half grew 19 per cent from January-June 1985, the company said, and should reach NIS 55 million for all of 1986.

Over the year, Shamir said, it had increased the number of agencies and underwriters affiliated with it. Its balance sheet stood at NIS 24.1m. as of June 30, compared with NIS 20.8m. on December 31, 1985.

CAR OWNERS who elect to pay their automobile tax in four payments instead of one can still save money under a scheme being offered by Bank Hapoalim.

The law allows the car levy to be paid in a single payment before December 1, which entitles the car owner to a 15 per cent discount on the tax, or in four equal monthly payments, without a discount.

Hapoalim will make the full payment before the December 1 deadline plus provide a rebate equal to 9 per cent of the car owner's tax bill. The car owner can then pay the bank over the next four months.

Trade deficit, budget cuts face Democratic Congress

WASHINGTON (AFP). — Protectionist trade legislation and the discrediting of the Gramm-Rudman law, setting strict instructions for the phased reduction of the budget deficit, which was a record \$220b. for the year ended September 30.

But it is unlikely that, with the 1988 presidential election in view, the Democrats will adopt the tax rises advocated by some party members to trim the huge budget deficit, a measure fiercely opposed by President Reagan.

Several officials of the Democratic Party, which now controls both the Senate and House of Representatives, have already said that the first step will be a law aimed at reducing the trade deficit, which is expected to be a record \$170 billion this year.

Reagan, who opposes protectionism, will probably veto any measures put forward by Congress, as he did in the case of textile imports earlier this year.

Increased taxes, another way of trimming the budget deficit, seems to be ruled out. Democrat Thomas O'Neill, retiring as leader of the house, said Tuesday that nobody would send Reagan a measure he fiercely opposes. However Robert Dole, leader of the outgoing Senate majority, said the Democrats would have to cut the budget deficit in some way. He foresaw sharp clashes with the White House, which aims to safeguard the military budget.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:			Turnovers:			4.25% fully-linked		
General Share Index	121.07	+0.20%	Shares - total	NIS 10,754,000		80% Linked	Rises to 0.5%	
Non-Bank Index	157.39	+0.31%	Arrangement	NIS 8,753,200		Double-linked	Rises to 0.5%	
Arrangement	105.86	+0.15%	Non-bank	NIS 2,000,800		Dollar-linked	Rises to 0.5%	
Insurance	178.29	+0.56%	Bonds - total	NIS 3,452,000		Admon	Rises to 0.5%	
Commerce, Services	200.21	+0.10%	Index-linked	NIS 2,465,800		Rimon	Rises to 0.5%	
Real Estate	197.95	+0.64%	Dollar-linked	NIS 985,300		Gilboa	Rises to 0.5%	
Industrials	142.59	+0.06%	Treasury Bills	NIS 3,830,900		For Curr.	Rises to 0.5%	
Textiles	201.51	+0.25%	Share Movements:			denominated		
Metals	150.34	+0.27%	Advances	159 (111)		Treasury Bills		
Electronics	103.13	-0.05%	of which 5% +	22 (16)		(annual yield)	19.50-21.10%	
Chemicals	134.16	0	"buyers only"	0 (0)				
Industrial Invt.	134.04	+0.43%	Declines	118 (167)				
Investment Cos.	150.53	+1.25%	of which 5% +	10 (24)				
General Bond Index	113.40	+0.15%	"sellers only"	1 (3)				
Index-linked Bonds	115.05	+0.18%	Unchanged	108 (115)				
Fully-linked	117.18	+0.21%	Trading Halt	38 (27)				
Partially-linked	113.72	+0.15%	Bond Market Trends:					
Dollar-linked Bonds	94.43	+0.21%	Index-linked:					
Short-term 0-2 yrs	111.20	+0.08%	3% fully-linked	Mixed to 0.5%				
Medium-term 2-5 yrs	112.37	+0.18%						
Long-term 5+ yrs	107.56	+0.26%						

SELECTED PRICE QUOTATIONS

Name	Price	Volume	% change	Name	Price	Volume	% change
Commercial Banks				Trade & Services			
(not part of "arrangement")				Metr Ecos	7400	533	+4.3
Mifal Hapais	1115	824	-1.8	Super 2	7050	1108	+1.3
General non-arr.	21700	28	+1.4	Delek	3140	4137	-1.3
First Int'l	3500	2351	-	Litgarage	15900	19	-
FIBI	4038	3131	-	Cold Storage	2287	251	-
Commercial Banks				Dan Hotels	1850	258	+0.1
(part of "arrangement")				Yarden Hotel	2790	68	-3.8
IDB	80460	202	-	Hilton	24220	1	+1.2
Union 0.1	59500	20	-	Real 1	1742	341	-0.1
Discount	102800	139	-	Real Estate, Building and Agriculture			
Mifal Hapais	33113	478	-	Azoria	816	9072	+2.5
Hapoalim r.	54960	1411	+0.4	Elion	533	7138	-1.3
General A	139850	2	-0.1	Africa Int. 0.1	36700	30	-0.5
Leumi 0.1	34834	1397	-	Dankner	4950	460	+3.1
Fin. Trade	46300	-	-	Prop. & Bldg.	2850	295	-0.9
Mortgage Banks				Maqueta 0.1	4240	182	+3.9
Leumi Mort. r.	5950	981	+7.2	ILDC r.	54200	42	-
Dev. Mort.	2292	1120	-	Rasco r.	no trading		
Mifal Hapais	2230	50	+0.5	Mehadrin	8280	205	+0.7
Tefahot r.	14850	29	+1.0	Hadarim	1324	2497	+1.8
Marev r.	6900	295	-	Industrials			
Financial Institutions				Dubok b	3520	392	-
Agri C	no trading			Pr-Ze r.	8858	21	+1.0
Ind. Dev. DD	no trading			Sunfroz	16200	195	-2.4
Cial Leasing 0.1	17500	32	+1.2	Elite	595	8116	+4.4
Insurance				Argaman r.	15830	159	-1.0
Ararat 0.1 r.	1200	447	+0.1	Delta G 1	2925	588	+1.6
Hessnah r.	320	50552	-	Maqueta 1	4240	182	+3.9
Phoenix 0.1	747	10481	-0.7	Engle r.	13200	20	-0.8
Harnishmar	2140	84	+0.5	Polgar	3500	557	-0.1
Menorah 1	6720	257	-1.2	Schoellerria	14350	85	-1.7
Sahar r.	8498	-	-0.8	Rogosh	3150	491	-1.6
Zion Hold. 1	41200	19	-	Urdan 0.1 r.	6500	489	-
				Le. Can. 0.1	2450	18	+0.5
				Zion Cables	2485	225	-1.6
				Pekker Steel	10966	105	-
				Elbit	41200	19	-

1st Int'l shifting business hours

By PINHAS LANDAU

First International Bank this week broke ranks with the rest of the banking system and announced new opening hours to the general public.

Starting December 7, the bank will remain open every weekday until 2 p.m., and will re-open on Mondays and Wednesdays from 4 p.m. to 7 p.m. and not on Sundays, Tuesdays and Thursdays, as do the other banks. Friday hours will be unchanged, from 8.30 a.m. to 12.00 noon.

The net result of the changes will be an increase in the total number of hours per week that First International is open to the public, from 35 to 37. The bank's management received the works committee's consent without difficulties to the changes, as well as the approval of the Examiner of Banks Department at the Bank of Israel.

According to First International executives, the new hours are "customer driven." The bank conducted a comprehensive market study several months ago, which yielded surprising findings and led to the change in hours. The report found that private customers use automated bank facilities as much as possible and, on the average, visit a bank branch during the afternoon only once every two weeks on a random day of the week.

Business customers, on the other hand, go to their bank 50 per cent more often in the afternoon than do private customers. Sunday afternoons, however, are usually less active than other days, because the world foreign currency markets are closed.

Tuesday afternoons have their own peculiarity, because sectors of the economy, particularly shops and the professions, are closed. Customers therefore go to the bank less often on Tuesdays than on Mondays, Wednesdays and Thursdays.

First International adapted these findings to its particular client base, which is oriented toward small businesses, professionals and upper-income households. Since its slogan is for customers of other banks to open a second, or subsidiary account at First International, it has chosen to abandon Sunday and Tuesday afternoons, as less active, and Thursdays because the others are open.

It now intends to appeal to customers on the basis of offering five-day-a-week service in the afternoons — three days at their "main" bank, and the other two at their "second" bank, that is First International.

Of more significance is the late midday closing, which is directed at business customers, who are the most sought-after market sector. The major banks have endeavored to open a few branches in purely business districts on a "straight-through" basis, closing at 2 p.m. or even 3 p.m. But they have been unable to adapt their whole network to this system, since many clients who work until 3 p.m. want the option of going to their bank in the late afternoon. It is possible that First International's move will push the other banks to greater flexibility in their opening hours.

FINANCIAL DATA ISRAEL EUROPE U.S.

ISRAEL MONEY MARKETS

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.58% per month
Unlinked Deposit (Annual Rates)

	Last Updated	Tapas	Pakam 7-Day	Pakam 30-Day
LEUMI	5.11	7.17.00%	8-16.75%	8-18.25%
HAPOALIM	29.10	10-17.50%	11-17.50%	13-18.00%
DISCOUNT	17.10	8-16.50%	8-17%	14-18.00%
MIZRAHI	6.5	8-16%	8-16%	14-18.00%
PRST INT'L	17.10	10-17%	11-17.20%	13-18.50%

Rates vary according to size of deposit.
(Tapas: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 59 days.)

PATAH — FOREIGN CURRENCY DEPOSIT RATES (November 5)

	MINIMUM DEP	3-MONTHS	6-MONTHS	12-MONTHS
USD (\$100,000)	5,250	5,250	5,250	5,250
STG (£100,000 pounds)	9,825	9,825	9,825	9,825
DMK (100,000 marks)	3,750	3,750	3,750	3,750
SFR (50,000 francs)	3,000	3,000	3,000	3,000
YEN (5,000,000 yen)	3,000	3,000	3,000	3,000

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES (November 5)

		CHEQUES AND TRANSFERS		BANKNOTES		Rep.
		Buy	Sell	Buy	Sell	Rates
Currency basket	1	1.4820	1.5010			1.4925
U.S.A. Dollar	1	1.4877	1.5063	1.46	1.53	1.4958
Deutsche Mark	1	0.7243	0.7333	0.71	0.74	0.7300
Pound Sterling	1	2.1163	2.1227	2.07	2.17	2.1322
French Franc	1	0.2220	0.2248	0.21	0.23	0.2241
Japanese Yen	100	0.8091	0.8204	0.89	0.93	0.8158
Dutch Florin	1	0.6411	0.6491	0.65	0.66	0.6496
Swiss Franc	1	0.8690	0.8798	0.85	0.89	0.8758
Swedish Krone	1	0.2125	0.2151	0.21	0.22	0.2140
Norwegian Krone	1	0.1985	0.2010	0.19	0.20	0.1959
Danish Krone	1	0.1928	0.1952	0.19	0.20	0.1941
Finnish Mark	1	0.2969	0.3026	0.29	0.31	0.3009
Canadian Dollar	1	1.0718	1.0822	1.05	1.10	1.0782
Australian Dollar	1	0.9636	0.9655	0.93	0.99	0.9600
S. African Rand	1	0.6583	0.6666	0.43	0.52	0.6619
Belgian Franc	1	0.3470	0.3514	0.34	0.36	0.3519
Austrian Shilling	1	0.1031	1.0442	1.01	1.08	1.0384
Italian Lira	1000	1.0490	1.0621	1.02	1.08	1.0672
Jordanian Dinar	1	—	—	6.00	4.33	4.2359
Seychuan Pound	1	—	—	0.76	0.81	0.7858
ECU	1	1.5157	1.5346	—	—	1.5261

THE JERUSALEM POST

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A market in hostages

LAST SATURDAY, November 1, there were — according to the available information — a total of 20 live Western hostages in Lebanon: eight Americans, eight Frenchmen, two Britons, one Irishman, one Italian and one South Korean. They had been held in captivity by their mostly Shi'ite terrorist kidnappers for periods ranging from 19 months to seven weeks. It had been an open secret that the release of the hostages depended largely on the Syrians, and in some measure on their Iranian friends, too.

The Syrian government had all along made noises suggesting that it would dearly wish to see the hostages set free, and was doing all it could to obtain their release, but that its influence over the kidnappers was, alas, limited. The long and strenuous on-the-spot efforts of Terry Waite, the Archbishop of Canterbury's emissary, on behalf of the hostages were mostly unavailing.

Then, last Sunday, November 2, one of the American hostages, David Jacobsen, director of the American University Hospital in Beirut, was let go by his abductors. This was followed by reports that several more of the hostages could be expected to be liberated within a few days. The Syrian government, it was said, was exerting pressure on its terrorist proteges to that end, in cooperation with the Iranians.

What had happened? Had the long-drawn out negotiations with Western governments on the issue of the hostages finally borne fruit? Had Syria's rulers searched their souls and decided to turn civilized by using their military presence in Lebanon to discipline Shi'ite terrorism?

Not quite. What had happened was Britain's severance of its relations with Syria in the wake of the verdict in the case of Nezar Hindawi, Syria's agent in the attempt to blow up an El Al airliner after takeoff from Heathrow airport with 375 persons on board. Syria's authorship of that murderous plot had been too plain to merely deny, and the backlash from it now threatened to kill Hafez Assad's hopes of securing Western aid in extricating Syria from its current economic predicament.

True, Britain's pusillanimous European allies could not so far bring themselves to show solidarity with their fellow EEC member by even temporarily withdrawing their ambassadors from Damascus. But this was little reason for the Syrians to lean back, and relax. For at their backs they could not fail to hear the ominous rumble of indignation coming from Washington. When a country does what Syria did at Heathrow, Secretary of State George Shultz said this week, "it isolates itself from the civilized community."

The release of Jacobsen on Sunday was obviously designed to forestall retaliatory action by the U.S. And the widely publicized predictions of the imminent release of several more hostages were clearly meant to reduce American pressure on the Europeans to approve penalties for Syria when their foreign ministers meet next Monday to continue discussion of the problem.

To be sure, by doing now what they had so long pretended to be unable to do, the rulers of Damascus were showing that their earlier protestations of impotent innocence had been a brazen sham. But they also proved themselves to be the key to the freeing of the hostages. Their assistance, they must have assumed, would not be spurned, and might even be paid for.

They were right. Despite its militant stance, Washington itself has apparently agreed to close down its embassy in east Beirut as part of the price. And the report of a deal-in-the-making for the sale of U.S. arms to Iran in return for its cooperation, though denied on all sides, may well contain a grain of truth. There are situations in which tactical concessions to state-sponsored terrorists, and to terrorist-sponsoring states, may be the only means of saving lives.

Real trouble arises when tactics are turned into strategy. This is what France's new premier, Jacques Chirac, appears to have done after earlier promising voters that he will "terrorise the terrorists." Not for him Margaret Thatcher's stick: Mr. Chirac is out to buy immunity from terrorism by offering the terrorists and their sponsors a juicy billions-of-francs carrot.

They will not, however, be bought out, except by having all their goals served up to them on a golden platter. A political commentator on Damascus Radio this week reiterated: Syria will continue "to differentiate between national resistance and terrorism." For Hafez Assad that is a distinction without a difference.

SCHOOL'S OUT

(Continued from Page One)

out an increase in the defence budget, there are intentions to seriously harm the education system which has cut \$200 million from its budget during the past two years. Our system is on the brink, and any further cuts will seriously hurt the future education of Israeli children.

Education Minister Navon, expected to return tonight from abroad, is to meet Finance Minister Nissim tomorrow morning in an effort to resolve the crisis.

Meanwhile, the rhetoric being trading between the two competing teachers' organizations is also heating up. A spokeswoman for the Teachers Association told *The Post* last night that the Union was "unnecessarily and illogically" ordering teachers to strike, regardless of whether they had received their salaries. The Union, on the other hand, complained about the Association's "lack of solidarity."

Many teachers are unenthusiastic about the strike. One Jerusalem high-school principal, who asked not to be named, told *The Post* that "most of the teachers do not agree with the strike. It is hard to stand up and explain to a class that a teacher is striking because his salary is a day late. There is an unhealthy fusion of interests here which is aimed at pressuring the Treasury."

One 11th-grade Jerusalem pupil, on the other hand, was quite pleased: "We left school at 10 a.m.," he said. "My friends and I were very happy and we went to the movies. The strike came just in time, too."

because we'd have to write our end-of-term exams now. I hope this goes on for at least another week or two." A fellow pupil added, "It's good that the teachers didn't get their money. Why should we be the only ones to feel bad because of school?"

Asher Wallfish adds: In the Knesset Education Committee, which heard the various sides embroiled in the dispute yesterday, the gulf between the Treasury and education authorities remained as unbridgeable as ever.

Several members of the committee told the Treasury representatives bluntly that the Treasury was interfering too much in the day-to-day management of the Education Ministry.

Amira Sartani (Mapam) said the Treasury not only decides when and whether to pay teachers their salaries, but when and whether to open new classrooms.

"If the Treasury wants to be the general manager of the State of Israel," she said, "it could close a lot of ministries and save us all a lot of money."

The committee called on the Treasury to pay the education authorities all the money owing for salaries, so that the teachers could get paid, and return to their classrooms.

Both the MKs and the teachers' representatives at the meeting predicted that the dispute between the two ministries was likely to perpetuate the dispute at the classroom level for a long time.

A report by its Israel correspondent, Salomon Bouman, who has covered Israel for some 15 years now. In a recent Saturday supplement, he published a full-page feature on the rotation of power between Mr. Peres and Mr. Shamir. It was headed — for which heading he himself is of course not responsible — "Rotation in Tel Aviv."

Where deterrence means nothing

Avi Beker

AS IN previous instances of media reports on Israel's nuclear capability, the most recent *Sunday Times* story evoked the traditional government reaction which asserts that Israel will not be the first country to introduce nuclear weapons into the Middle East. Despite repeated widespread speculations and endless attempts in the international media to "count" Israeli nuclear warheads, there has never been an official statement or irrefutable evidence that Israel has really crossed the nuclear threshold.

It seems that among people who deal with nuclear matters in Israel, there is a virtual consensus which crosses normal ideological divisions and unites "hawks" and "doves" who usually differ strongly on national security matters. During the reign of the Likud government with its more hawkish stand on foreign policy, no clue was provided to possible modifications in the country's nuclear posture.

The pro-nuclearization strategists in Israel and abroad, who suggested open Israeli nuclear deterrence during that government, remained a very tiny minority. And except for a few periodic items in the news, they did not inspire the kind of debate common in the West which surrounds issues related to nuclear doctrines and deployments. Prominent figures from the left (such as Professor Yehoshafat Harkabi, a former head of Israeli military intelligence) and from the right (such as the former Minister of Science and Development in the Likud government, Professor Yuval Ne'eman) both forcefully rejected as irresponsible the idea of "going open" on nuclear deterrence.

As with the rejection of the "going open" idea, there is a virtual consensus within the Israeli political

community that the time is not yet ripe for Israel to join the Nuclear Non-Proliferation Treaty (NPT) and its safeguards system operated by the International Atomic Energy Agency (Iaea). Ironically, following the Israeli raid on the Iraqi nuclear reactor at Osirak on June 7, 1981, which aroused world-wide criticism, there seems to be more understanding of the Israeli position by Western observers including the Americans.

In addition to underscoring the cavalier and irresponsible policies of Western suppliers who brought Iraq to the verge of a nuclear weapon option, the raid on Osirak served another useful purpose: it exposed serious deficiencies and loopholes in the NPT's safeguards system with regard to nuclear reactors and facilities. It was only after Osirak that the previous low-key criticism of the Iaea safeguards' credibility received the scrutiny of major newspaper editorials and became public knowledge. Many knowledgeable people suddenly realized that under the guise of the NPT, a state can proceed in a piecemeal fashion to develop a weapons programme short of a bomb without violating any of the treaty's provisions.

Nuclear safeguards experts agree, and the Iaea itself admits, that there are limits to the extent to which the agency is able to detect diversions in an accepted programme and to guarantee an effective international response to a non-proliferation violation, even when it is detected. As numerous studies and reports have indicated, the advanced technologies in the nuclear field would make it impossible to rely on Iaea safeguards to detect such diversions.

It was only in November 1981, that the U.S. Nuclear Regulatory Commission issued for the first time an official warning, sent to the chairmen of several congressional committees, on the ineffectiveness of Iaea safeguards. This warning concluded that one could not be confident that member states of the UN agency would be notified of a diversion in timely fashion.

A CAREFUL reading of the NPT text reveals that a central assumption of the treaty is the existence of conditions of peace, conditions which do not exist in the Middle East. During the hearings on the NPT in the U.S. Senate in 1968, Secretary of State Dean Rusk and Army Chief of Staff General Earl P. Wheeler made it clear that the treaty "does not apply to a situation of war" and that in a war situation it "immediately becomes inoperative." In the harsh realities of the Middle East, this logic renders an absurdity the abrogation clause of the NPT, which allows a member state at any time to declare its withdrawal on three months' notice.

The Iraqi case highlighted the extent to which a country can take advantage of the lenient terms of the Iaea's safeguards agreement. Besides the serious deficiencies in the detection procedures, the country to be inspected has the power to reject designated inspectors and to postpone or change the inspection date. Since 1976, only Soviet and Hungarian inspectors have been reported to have visited Iraq. In 1980, the Iraqis blocked Iaea inspection of their nuclear installations because of "war conditions" with Iran.

Israeli concerns towards "going open" are reinforced when one reads the reservation which the Syrian Arab Republic added on the occasion of its ratification of the

Dry Bones



NPT on September 24, 1969: "The acceptance of this Treaty by the Syrian Arab Republic shall in no way signify recognition of Israel or entail entry into relations with Israel thereunder." Similarly Israel must take into account the fact that 10 Arab countries have neither signed (among them, Algeria, Saudi Arabia, and Bahrain) nor ratified (Kuwait) the NPT and four more which did ratify have not yet complied with the safeguards agreement provided by the Treaty (for example, Syria).

More than 120 states are parties to the NPT which enjoys the full backing of the superpowers as the cornerstone of international efforts to prevent nuclear proliferation. Yet the fact that a majority of the world's states have accepted the NPT may create a false sense of security. The NPT was helpful in enlisting those countries which had already

accepted the political realities of international and regional order. The treaty cannot provide security in regions wherein certain countries are determined to change the political order by threatening the very existence of others. In such regions, a country's signature on the NPT cannot be regarded as conclusive proof of its nuclear innocence but, on the contrary, can be exploited as a strategy for the acquisition of nuclear arms. A system that is inadequate for controlling international transfers of nuclear equipment, materials, and technology generally is especially impotent in dealing with the Arab-Israeli conflict.

Dr. Beker is a professor of Political Science at Bar-Ilan University and Director of the World Jewish Congress in Israel. His Disarmament without Order — The Politics of Disarmament at the UN (1985) was published by Greenwood Press.

East Germany requires a reappraisal

Yohanan Meroz

WITHIN the complex framework of Israel's relations, or non-relations, with the so-called socialist states of Europe, the German Democratic Republic (GDR) has, for obvious reasons, always occupied a special place. Established, like her western neighbour, more than a year after the State of Israel, she is the only Warsaw Pact member with which official ties have never existed.

Thus, when diplomatic relations were ruptured in 1967 by all the others — except for Romania — the protection of Israel's interests in their capitals and vice versa, was assumed by third parties, no similar arrangement could be made with the East Germans.

The history of the vacuum goes back to the early Fifties, when Israel's endeavours to reach agreement with the GDR parallel to that concluded with the Federal Republic were not just rejected, but utterly ignored. Throughout the years, East Germany's attitude has been one of distortion and cynicism.

The very establishment, GDR spokesmen argue, of a democratic, socialist, peace-loving state on German soil, represents the supreme act of reparation and restitution. All Nazi criminals were brought to justice and punished. Surviving victims of persecution and atrocities living in the GDR were duly indemnified. Israel as a state, and an aggressive and oppressive one at that, has no legal or moral leg to stand on for any claim, in East Germany's view.

That the Federal Republic has acted differently is its business, the argument continues: Indeed, there are good reasons, for not only has the Bonn government failed to deal effectively with the countless leftovers of the fascist past; it has also

become a political and military ally of Zionist racism and war-mongering.

QUITE APART from its disregard for recent German history, which has determined some of the Federal Republic's policies vis-à-vis Israel, the GDR has also outstripped other Eastern bloc governments in active hostility to the Jewish state and in supporting its enemies. In the press of no other communist country, the possible exception of Czechoslovakia, have there been comparable outbursts of venom and hatred, although there seems to have been some let-up of late.

In fact, one cannot escape the conclusion, or at least the suspicion, that not only "ideological" considerations are at play, but also traditional anti-Semitic sentiments. These may have been fostered directly or indirectly by the half-dozen or so violently anti-Zionist people of Jewish descent who have held, or still hold, prominent positions in the political apparatus of the GDR, in which the "official" Jewish population in the few dwarf-communities that formally exist, number less than one thousand.

Israel has always taken the view that as long as the GDR refuses to accept its share of responsibility for the crimes of the Third Reich, there can be no relations with her. The reason for that stand is self-explanatory. Moreover, in view of the stagnation of our relations with the communist world, there seemed no point in wasting even a fleeting thought on the matter.

The situation may have changed

with the recent appearance of certain signs which, however vague, could be interpreted as indicating interest by at least some of the governments in question to improve their relations with Israel. Since it is virtually axiomatic that no such development could occur without the consent, if not the blessing, of Moscow, it is not impossible that the GDR may be entertaining similar thoughts.

Certain tactical advantages notwithstanding, there can be little doubt that the Soviet bloc countries have during the last 20 years lost on the international stage by breaking with Israel; even some of their politicians have admitted as much.

THE POSSIBILITY that the GDR will modify its denial of material compensation to the State of Israel is a remote one. The question is whether in spite of this near-certainly and against the background of East Berlin's extreme violence, Israel should nevertheless give the matter another look if and when circumstances, first and foremost the general evolution of its relations with the Soviet bloc, offer an opportunity for re-appraisal. While appreciating the opposition which an affirmative reply to that question would arouse in many quarters, this writer holds that the notion should not be rejected out of hand. For various reasons, it may be to Israel's interest to include the GDR in an improvement of its relations with the communist world. Some of them are briefly stated below.

There is the principle of *universality*, which Israel has always upheld and applied whenever allowed to do so. The GDR was only recognized by the West and admitted to the UN in the mid-Seventies, but today there

is hardly a country which does not have full relations with East Germany. The fact that Israel has never sought them is no feather in our cap in anyone's eyes.

Within the socialist camp, its specific weight, and primarily its economic predominance, makes the GDR as important and useful a partner as the Federal Republic in the West. In other non-political fields, such as science and culture, it is also prominent and worthy of closer acquaintance.

The prestige which the GDR enjoys in parts of the Third World and especially the Arab world, should not be overlooked. A measure of parallelism could serve Israel in its own effort in that direction.

Lastly — and most important — experience has shown that *vis-à-vis* Bonn, our complete isolation from the GDR is at least a tactical disadvantage. Competition for the favours of third parties by the two German states (conspicuously absent in the context of the Federal Republic's relations with Israel) has been a constant factor in their respective efforts in Arab countries, and vice versa.

It is certainly not suggested that Israel jeopardize its ties with Bonn by foolishly trying to use the GDR as a lever. However, it is quite likely that our standing in the Federal Republic could not but benefit from relations with the other German state.

NONE OF THIS implies that Israel should acquiesce in the deletion of the historical and moral issues from any future clarifications with the GDR. Nor must we ever forgo our reiterated on every suitable occasion, without, however, insisting on

a settlement as a pre-condition. After all, there would be nothing new in that. Despite Austria's persistent refusal to consider material compensation to Israel, we did establish relations with Vienna which (forgetting in this connection the Waldheim affair) have not developed altogether unsatisfactorily. Admittedly, the two cases are not identical, but there is sufficient resemblance to allow an analogy to be drawn.

It is perfectly true, as already mentioned, that the GDR prides itself volubly and vociferously on having dealt with remnants of Nazism and neo-fascist phenomena more efficiently than the Federal Republic. Those assertions are made largely for propaganda purposes and are undeniable; that they contain a grain of truth, perhaps even more, is no less certain. The overall record of the GDR in matters concerning the past — thought not specifically in regard to Jews — does not compare unfavourably with that of Bonn.

It goes without saying that normalizing Jerusalem's relations with the GDR would be a lengthy and difficult process. Whether it can be embarked upon at all, given the emotional and political realities, requires the most painstaking examination. All that is proposed here is that such an examination should take place within the general framework of any eventual development of Israel's relationship with the East. The verdict may well be negative, but it should not be reached without carefully weighing the pros and cons.

The writer is a former ambassador in Bonn.

READERS' LETTERS

JOURNALISTIC ETHICS VIOLATED

To the Editor of *The Jerusalem Post* Sir, — In the midst of their own agony, the parents of Revital Brand found the courage and compassion to donate their dead daughter's liver to help save the life of Mira Schichman. And by so doing they have, perhaps, encouraged other families to help save other lives.

For this, they deserve the admiration of us all.

The Brands asked only that their identity not be published.

Common decency alone ought to have dictated to the Israeli media

that this request be honoured absolutely.

All those responsible for first revealing the identity of the Brands deserve the contempt of us all. They have offended against this standard of common decency; they have violated the right to privacy of the Brand family in their time of sorrow; they have done this to serve no public purpose; and they have violated any reasonable standard of journalistic ethics and responsibility.

MICHAEL ELKINS

Jerusalem.

PROJECT LETTERS OF LOVE

To the Editor of *The Jerusalem Post* Sir, — On July 4, our letter was published asking for Israelis who would like to be involved in a correspondence relationship with Christian friends of Israel. To date, we have had good response to our request, but still have many people from other countries who desire to write to a family or individual in Israel. Israelis now participating in this programme have expressed very positive appreciation for the letters they have received from Christians.

Many of these people desire to visit Israel and would like to develop a relationship with someone in the land. We desire to see this programme continue and grow as a means to express Christian support and love for Israel from nations around the world.

RAY and SHARON SANDERS,
Christian Friends of Israel,
P.O. Box 02768
Mevaseret Zion

Jerusalem.

CRUDE OIL PRICES

To the Editor of *The Jerusalem Post* Sir, — Reuter (October 31) characterizes Sheikh Yamani as "a voice of moderation" in Opec. He always sought the maximum long-term gains for Saudi Arabia. That excluded policies which would kill the goose which laid golden eggs.

It is a prime error to applaud his policies. Even today, Opec collusion boosts crude oil prices by at least one third. For other products, the imposition of such exploitation would cause massive alarm and stimulate policies and actions to terminate or offset the producer power.

Evidently, oil consumers have been conditioned. Call it the Opec consumer syndrome which renders the victim gratified when oil prices are only one third higher than they would be without Opec.

JOSEPH LERNER

Jerusalem.

MADARIAGA AND COLUMBUS

To the Editor of *The Jerusalem Post* Sir, — I refer to Netanel Lorch's article of September 11, "Columbus coincidence: discovery, Inquisition," which I read with great interest and appreciation.

From my memories of Spanish Republicans and of Don Salvador de Madariaga, I do not believe that they would have been biased by an "intent to gain the goodwill of Jewish communities." Rather, it seems to me that Madariaga's book on Columbus — not only a scholarly work, but a labour of love — was inspired by pride in Marrano origins, quite widespread among Spaniards, Portuguese and Latin Americans. The phenomenon has been beautifully described by Isaac Bashevis Singer in one of his short stories about a stop-over in Lisbon.

A friend of our family, Dr. Ludwig Baschewitz, told us that — when he went to see Madariaga, then representative of Spain to the

League of Nations in Geneva — with a delegation of German Jews, hoping to get the support of the Spanish Republican Government for whatever they were petitioning for — Don Salvador, on taking leave of them, said: "You know, gentlemen, that I am Jewish."

ELISA DE JAGER

WITS UNIVERSITY

To the Editor of *The Jerusalem Post* Sir, — On Thursday, November 13, Professor Jonathan Suzman, Dean of the Faculty of Arts of the University of the Witwatersrand, Johannesburg, will address Wits alumni on "The political situation in South Africa and its effect on Wits University."

We are meeting at 8:30 p.m. in the small hall of Moetzet Hapoa'im, Eliezer Yafe Street, Ra'anana. All alumni interested should contact me at 052-442269.

MARSHA EDELSTEIN

Ra'anana.

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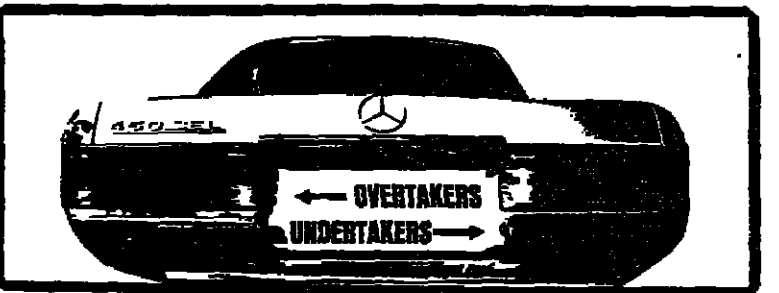
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POSTSCRIPTS

SOME erroneous conceptions, writes our Dutch correspondent, are apparently impossible to eradicate including the notion that the Israeli government resides in Tel Aviv. The *NRC Handelsblad* is far the best daily paper in Holland, in particular as far as its coverage of foreign events is concerned. Almost daily it contains



سكوت الأصيل